Frequently Asked Questions
2018 Market Adjustment Process

Q1. How were the market adjustments determined?

A1. The market adjustment process provides an opportunity to drive additional dollars towards closing pay gaps to market benchmarks. The process drives more dollars towards those individuals who have a combination of the largest pay gap with the highest sustained performance and longest time in grade/rank. The market adjustment pool of dollars is limited. Therefore, eligibility criteria and payment caps were established to ensure the equitable distribution of those dollars. The eligibility criteria included:

a) Performance (average of the current year and last two years)
b) Time in grade/rank (generally an individual had to be in a position for at least 3 years to be considered)
c) Size of pay gap to market benchmark

Market adjustment increases were capped at a maximum adjustment increase of $4,000 in order to make progress on as many gaps to market as possible with the available funds.

The chart below provides details of how initial market adjustment increase recommendations were distributed. For example, a faculty or staff member with seven years in grade/rank, with a current compa-ratio of 84%, and average performance rating of 4.5 would receive a market adjustment that takes their pay to a compa-ratio of 87%. If the increase required to move to a compa-ratio of 87% is greater than $3,000, the payment cap would be applied.

	*3 Year Average PA Rating:		
	3.7 to 4.3	4.5 to 5	
Time in Grade/Rank	Target Compa ratio	Target Compa ratio	Payment cap
3 to 5 years	83%	85%	$2,000
5 to 10 years	85%	87%	$3,000
over 10 years	88%	90%	$4,000

*For example, two ratings of Exceeds Expectations and one rating of Meets Expectations equals a three-year average rating of 3.7

3 – Meets Expectations/Successful
4 - Exceeds Expectations
5 - Outstanding

The results of this analysis were reviewed with senior leadership for their input and approval.

Q2. Please remind me - what is a compa-ratio?

A2. The compa-ratio is the comparison of an individual's full time salary against the market benchmark for that position (for staff positions the wage grade midpoint reflects the market benchmark). To determine the compa-ratio divide the current full time salary by the market benchmark. (Note: Instructional faculty salary benchmarks are based on a 9 month/40 hour per week salary. If you either work less than 40 hours per week or you are a faculty member working less than 9 months per year or an exempt staff member working less than 12 months per year, please contact your HR Manager for your compa-ratio calculation.)

Q3. Why would an individual faculty or staff member be paid below the market benchmark?

A3. The most common reason why an individual may be paid below the market benchmark is that they are relatively new to the rank or wage grade. The market benchmark is generally the target rate for individuals who are fully proficient in all responsibilities of a position. Someone new to a role is likely learning how to fulfill all of the job requirements, it is therefore reasonable that the individual would be paid under the market benchmark. Another reason why someone may not be paid at the market benchmark has to do with their sustained level of performance. If an individual has had less than satisfactory performance, it would indicate that they are not fully performing all of the responsibilities of their position and therefore they may not be paid at the market benchmark. Note the calculation of market benchmarks is not a precise science. Pay that is within 5% of the market benchmark is considered to be at market.

On an individual level, faculty and staff members may be paid at, above or below the market. The position of an individual's pay is based on a number of factors including performance, time in grade/rank, and experience at the time of hire. Our goal is move pay, on average, toward the market over time, utilizing the merit increase program and, for high performers with pay significantly below market, the market adjustment process.

Q4. Why wouldn't someone get a market adjustment if they are paid below the market benchmark?

A4. Pay position to the market benchmark is just one of the factors that were considered in this analysis; other factors included performance (average of the current year plus the last two years), time in rank/grade, allocated university market adjustment budget dollars and input from senior leadership. Focus was given to closing gaps for those with the longest time in rank/grade and sustained good performance.

Q5. Is it possible that someone could receive a market adjustment but still not be paid at the market benchmark?

A5. Yes. Our goal is to move pay, on average, towards the market benchmark over time. The market adjustment process is one method used to move us toward that goal. Merit dollars are another tool that should be used to move individual pay levels closer to market benchmarks and beyond.

Q6. Which surveys does HR use to benchmark RIT positions?

A6. HR utilizes the College and University Professional Association (CUPA) survey of faculty, administrators and staff positions, Western Management's EduComp Survey for administrative and staff positions, and the Rochester Chamber of Commerce survey of exempt and non-exempt positions. In addition, the Computer Research Association's Taulbee survey is utilized for GCCIS faculty benchmark data. The Association to Advance Collegiate Schools of Business (AACSB) is utilized for SCB faculty benchmark data.

Q7. Where can I go if I have additional questions about this process?

A7. Please contact your Human Resources Manager (HRM) if you have additional questions.