

Staff
Performance Management and
Salary Planning Guide

FY2022

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Introduction

The George Washington University (GW) supports employee career development. Our **Performance Management program (PM)** provides the framework for developing and coaching staff. The PM process is ongoing throughout the year, with time set aside for effective goal planning, periodic check-ins, and a final review and evaluation period. When carried out well, the PM process helps develop individual staff, improves teams, departments in operating more effectively in advancing the university’s mission.

GW’s **Merit Program** is based on a pay-for-performance philosophy anchored in the PM process. Our merit program aims to reward and recognize the work performed during the PM period, and support GW’s commitment to competitively compensate the university workforce.

This **Staff Performance Management and Salary Planning Guide** details the responsibilities of each stakeholder for the PM and merit processes, and provides key information, deadlines and additional resources.

If you have any questions regarding this guide, please contact hrrmdcomms@gwu.edu.

Part I. Stakeholder Roles and Responsibilities

A successful Performance Management (PM) and merit process relies upon the work of multiple stakeholders, each of whom has specific responsibilities and oversight.

Deans/Vice Presidents	School/Unit HRMD Ambassadors
<ul style="list-style-type: none"> ● Set the merit strategy for the school/unit ● Empower HR Business Partners and HR Ambassadors to serve as their point of escalation ● Monitor school/unit progress for completion and adherence to performance and merit strategies ● Participate in performance rating calibration and merit decisions for school/unit ● Drive consistency and equity across the unit ● Effectively communicate PM/merit calibration changes and rationale to Managers ensuring that Managers can support and communicate final decisions ● Approve final ratings and merit spend 	<ul style="list-style-type: none"> ● Together with Dean/VP/HR, set expectations within respective areas of the school/unit and disseminating via the PM/merit launch letter ● Monitor school/unit progress and encourage timely execution of the program ● Participate in performance rating calibration if needed ● Cascade PM/Merit communication and decisions to managers and employees ● Check in with HR rep regularly to assist with the process
Finance Directors (FD)	Managers and Next Level Approvers
<ul style="list-style-type: none"> ● Support the performance and merit processes within respective school/unit ● Regularly review and maintain the financial elements related to employee headcount to ensure accurate and seamless reporting, in partnership with HR Business Partners ● Attend Merit calibration training ● Partner with HRBP and Dean/VP, to ensure a collaborative and balanced process ● Review and authorize the school/unit final merit allocation prior to final submission to Compensation (i.e., adhere to the school/unit budget) ● Note any grant impacts based on the final merit decisions, and communicate/distribute budget 	<ul style="list-style-type: none"> ● Execute the PM program for all direct reports <ul style="list-style-type: none"> ○ Complete manager reviews and assign performance ratings ○ Conduct timely performance discussions with direct reports ● Hold direct reports accountable for the timely completion of the PM program for their direct reports ● Provide merit input based on variations in performance ● Conduct timely merit discussions and provide merit letters to direct reports

accordingly.

Human Resource Management and Development

- Set the overall schedule for the PM and merit process for university
- Provide tools and resources to all stakeholders
- Socialize the PM and merit processes with Deans/VPs
- Champion the PM and merit process within respective school/unit
- Regularly review and maintain school/unit staff data up to date to ensure accurate reporting, in partnership with Finance Directors
- Serve as the reporting school/unit point of contact for PM and merit
- Attend and deliver PM/Merit training to stakeholder groups
- Schedule performance meeting in advance of calibration
- Provide guidance to school/unit leadership on calibration strategies to achieve the desired performance and merit outcomes of the school/unit
- Manage PM actions through Talent@GW
- Monitor progress for reporting unit(s) and encourage timely execution of the PM/merit process
- Complete the school/unit merit submission in collaboration with the Finance Director
- Complete university-level quality assurance of the merit submissions and merit letters
- Aggregate and load final merit and performance rating data into the system of record
- Distribute merit letters to Managers

Part II. Performance Management and Merit Overview

Introduction to Performance Management

In order to align performance to the July 1, 2022 merit effective date, this year's performance period begins on July 1 and ends on March 31, 2022. Future years' performance period will run from April 1 through March 31 each year. The performance management process is anchored in setting goals and expectations, providing ongoing feedback and recognition, and evaluating work performance. With an effective PM process, staff members can expect to have ongoing conversations with their supervisor, regarding their performance and career goals.

Staff performance is assessed by managers through the performance management process and captured in [Talent@GW](#). Managers must summarize staff accomplishments and assign performance ratings before providing input on merit increases. Further information and training are provided on the performance section of the [Human Resource Management and Development website](#).

Performance Ratings

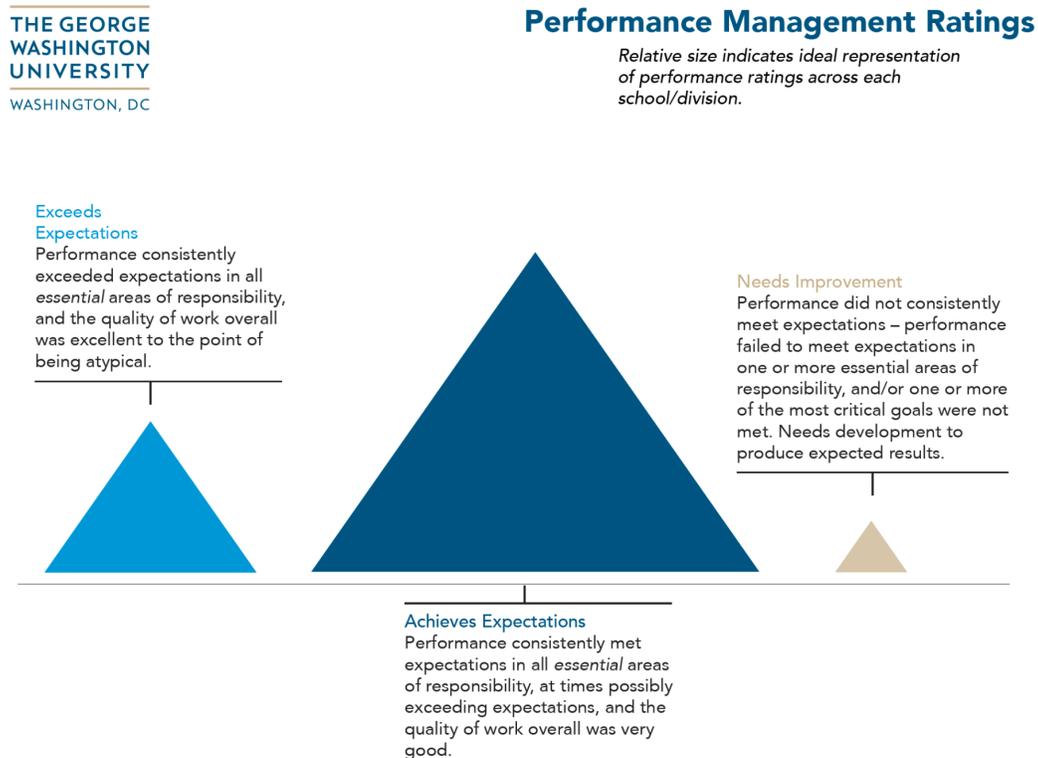
Performance ratings are assigned to each staff member by their manager and are summarized below:

Exceeds Expectations:	<i>Performance consistently exceeded expectations in all essential areas of responsibility, and the quality of work overall was excellent to the point of being atypical.</i>
Achieves Expectations:	<i>Performance consistently met expectations in all essential areas of responsibility, at times possibly exceeding expectations, and the quality of work overall was very good.</i>
Needs Improvement:	<i>Performance did not consistently meet expectations and/or approved goals were not met in essential areas of responsibility. Development is recommended to produce expected results.</i>

Assigning a performance rating provides the staff member with a summary of their performance over the course of the performance period. Managers and staff should communicate frequently throughout the year and have a shared understanding of ongoing performance, so that the year-end process holds no surprises. Performance ratings should accurately reflect the staff member's contributions and be supported by their self-assessment and the manager review.

Managers and Next Level Approvers should complete the performance and merit review process even if a staff member does not submit a self-review.

We have created a graphic that demonstrates an typical representation of rating distribution of all staff in a school/unit:



Performance Ratings Calibration

As mentioned earlier, an important first step in the performance process is a communication of the high-level performance ratings and merit strategy for the school/unit, allowing for manager input and ownership of the performance management process and merit decisions for their staff. Leaders typically communicate, emphasize, and revisit established unit-wide priorities throughout the performance year that should guide performance evaluation and calibration.

Rating Calibration occurs at the end of the performance cycle to apply performance ratings that reflect consistent, equitable, and fair assessments of work performed across similar positions based on the expectations decided upon and communicated at the beginning of the performance process.

It is recommended that schools/units hold calibration sessions to ensure that different managers apply similar standards in measuring and evaluating the performance of staff.

Merit Eligibility

Eligibility for merit is dependent on a benefits-eligible staff member's start date in their job. If hired on or prior to December 31 of the current performance period, the staff member will be eligible for the full merit percentage based on school/unit merit strategy and performance rating.

Job Start Date	Merit Eligibility for Performance Period (FY22)
Prior to 12/31/2021	Up to 100% of budgeted merit
1/1/2022 - 3/31/2022*	External new hire incentive: Eligible for up to 50% of budgeted merit, contingent on successful IEP completion and sustained performance through December <i>*Processed as a lump sum performance bonus, paid in December 2022</i>
4/1/2022 - 6/30/2022	Not eligible for merit for the FY22 performance period

Hiring managers should carefully consider staff merit eligibility and impact to a role to the school/unit when extending salary offers for staff (internal and external candidates) after January 1 of the performance year. Additional special attention should be paid for internal employees who transition to a new position between January 1 and July 1, as the next opportunity for a merit award is not until the following July.

Merit-eligible employees who are on approved leave, e.g., FMLA, should be included in the merit process. The following positions are *excluded* from the regular **staff** merit process:

1. Faculty
2. Temporary staff
3. Medical residents
4. Student employees
5. Other non-regular employees

Introductory Employment Period (IEP)

Employees in their Introductory Employment Period (IEP) during the performance review period are typically not awarded merit increases, with the exception of employees with begin dates referenced in the chart above.

Merit Budget

The merit budget is formally reviewed in May of each year and, if approved, is based on benefits-eligible employees with a job start date on or before December 31, 2021. In addition, an approved budget will allow for external regular benefits-eligible employees with a job begin date between January 1, 2022 to March 31, 2022 (external new hires), to be eligible for a prorated lump sum merit award. This small group of staff will be eligible for up to 50% of the approved merit budget percentage. This is delivered via a lump sum payment, and contingent upon successful IEP completion and sustained performance through December 2022. More information for the population eligible for prorated lump sum merit award will be provided late Fall.

The distribution of the merit budget among staff is administered by each school/unit and the full budget percentage is to be used **exclusively to reward performance** via merit increases to base compensation, or lump sum payments in lieu of merit, for those over the maximum of the salary range for their position. The total amount spent on merit for each unit may not exceed the approved budget. Schools/units may not reserve a portion of the merit budget to fund other employee lifecycle actions throughout the fiscal year. As school/unit operational needs change during the course of the fiscal year

and/or managers identify the need for a resource change, contact your [HR Business Partner](#) (HRBP) to initiate planning conversations. These requests will follow the current process.

Employees Over the Maximum (OTM) of the Salary Range

Eligible employees who are over the maximum of the salary range for their position are not eligible for a base salary increase, but are eligible for a Lump Sum payment in lieu of merit, based on their performance rating and leader merit strategy. The leader merit strategy should be applied consistently based on performance rating, regardless as to whether the merit is delivered via an increase to base compensation or lump sum award.

Staff Funded by Sponsored Research

Employees are eligible for merit, regardless of the salary funding source. This is consistent with the university’s merit philosophy and the [OMB Uniform Guidance for Federal Awards](#), which provides that our compensation practices should be consistent regardless of the source of funds. Please note that merit awards will automatically be distributed based on existing employee labor distribution.

Manager Input

Manager assessments, including recognition of the variation of staff contributions, productivity, and overall performance is an integral part of the merit process and the university’s ability to recognize and retain talent. As in previous years, managers may recommend specific merit percentages, in line with the school/unit merit strategy. Managers will also have the option to include merit differentiation feedback for staff using High, Medium, Low for staff with a rating of “Achieves Expectations” and “Exceeds Expectations.” Incorporation of this feedback is subject to the school/unit leader’s merit strategy. Optional merit recommendations should include explanation of the request, should be consistent with the school/unit leader’s merit strategy, and are subject to review and approval by the school/unit leader, HRMD, and the Finance Director.

Examples of criteria to support differentiation of merit awards within a rating are as follows:

High	Medium	Low
<ul style="list-style-type: none"> ● Performance is at the highest end of this performance rating, ● Effort is high impact and visible within the department and beyond, ● Exceeds some requirements of job, <i>or</i> ● Competitive skill set 	<ul style="list-style-type: none"> ● Performance was well-categorized by performance rating, <i>or</i> ● Effort is in line with departmental priorities 	<ul style="list-style-type: none"> ● Performance is at the lower end of this rating, ● Effort had limited impact, <i>or</i> ● Employee received an out of cycle salary increase (typically within this calendar year) and merit was considered in pay change

Providing merit recommendations and communicating the reasons behind merit decisions can be challenging, and is one of the most important responsibilities as a manager. Working with school/unit leadership, managers must take ownership of the final performance and merit decisions for their team members. If you need help constructing and practicing your message, your manager and [your HRBP](#) can assist you in understanding the school/unit merit strategy. See [Conducting Merit Conversation](#) section below.

Merit Percentage Guidance & Calibration

GW is a pay-for-performance institution, where higher performance is rewarded with higher merit awards.

Performance rating calibration will directly influence merit expenditure. If ratings are inflated, merit awards often must be calibrated down to remain within budget. Leaders should consider differentiating staff increase percentages based on accomplishments and contributions, with the goal of a meaningful distribution of ratings.

The total merit spend for each school/unit may not exceed the approved merit budget. Each school/unit leader sets the merit strategy for their organization and determines the distribution of the approved merit budget. It is the expectation that managers provide input into the performance and merit process for their staff, within the school/unit leader merit strategy.

- A timely performance rating is required in order to award a merit increase.
- Schools/units have the discretion to establish a framework for allocating merit that is most effective and relevant to each respective area.
- The school/unit leader merit strategy must be applied in a fair and consistent manner and substantiated by the performance reviews.
- In support of our pay-for-performance philosophy, merit awards for each rating should be greater than or equal to merit awards at a lower performance rating.
- Overall unit merit spend must stay within the school/unit merit budget.
- HRMD is available to provide additional consultation if needed.

Merit Calibration

As the school/unit shares the merit budget, the merit strategy should be applied across individual teams within the school/unit. Ideally, this means that a small team of high performers won't have limited awards based on the size of the team; rather, the team contributions should be considered in the context of the whole school/unit. This is challenging and typically depends on collaboration and calibration among the senior leaders of a school/unit. After the submission of the initial manager recommendations, the awards may need to be holistically calibrated to stay within the school/unit final merit budget. Each school/unit leader should identify how the unit should calibrate, which should be synced to their identified merit philosophy.

Blackout Period for Pay Actions

In order to accurately process and award merit, there will be a pause in processing employee lifecycle changes that impact pay from **May 25 - June 7 (2 weeks)**. Employee lifecycle changes include non-competitive promotions, reclassifications, job duties changes, equity increases, etc. Changes to the employee record will adversely impact the efficient and accurate application of a merit award. Managers are encouraged to engage with [their HR Business Partner](#) to plan any employee lifecycle changes that are identified during this period.

Note that the following actions will **not** be impacted by the Blackout Period:

- New Positions (New Headcount)
- Update Vacant Positions to Post
- Postings and Hiring Proposals for new GW employees (excludes internal progressive promotions)

Conducting Merit Conversations

An important final step in the performance management process is communicating performance ratings and merit awards. Managers and employees should meet to discuss and sign off on performance reviews, and to share the merit decision from **June 15 to June 28**. If conducted with care, conversations regarding merit can have a positive effect on staff engagement and retention.

Remember a few key components about these conversations. Managers should:

- Understand the final merit award

- Conduct the conversation with care
- Be prepared to explain your decision and the philosophy (if applicable) used by your school/unit for merit
- Acknowledge positive and negative emotions and reactions—ensure your message and conversation with your staff member is consistent with your school/unit messaging
- Most importantly, understand the context, deliver with confidence, and take ownership of the decision

Merit recommendations are subject to approvals within the school/unit, Finance, and HR Management and Development. As a reminder, please do not communicate merit recommendations to staff until after receiving confirmation of the final, approved merit from HRMD.

Part III. Performance Management Training Resources

Training on Performance Management

HRMD is eager to support managers and staff throughout each step of the PM process. We have highlighted a few of our Manager and Staff Training within this guide. Additional resources and Talent Development's Office Hours can be found on [the HRMD website](#) and within Talent@GW.

For 2022 Performance Management Basics *for Managers* training:

- [2022 Performance Management Basics for Managers training](#)
- The [Performance Writing Guide toolkit](#)

For 2022 Performance Management Basics *for Staff* training:

- [2022 Performance Management Basics for Staff training](#)

Closer to review discussion time, we will also be offering a virtual training on **Giving and Receiving Feedback**. This training will be available to all staff members, and will ensure that you have the tools you need to complete a constructive performance review conversation with your manager. If you would like to attend this training, please check the [performance section of the HRMD website](#) for dates and registration.

Part IV. Timeline and Merit FAQs

This section provides a timeline for the performance management and merit process. As noted earlier, the timeline has been condensed to meet our **July 1, 2022** merit effective date. In order to ensure the efficient completion of both the Performance Management and Merit processes, this timeline is designed to keep all stakeholders accountable and informed.

#	Duration (business days)	FY22	TASK	Responsible Party
1	1 day	March 1	Pre-launch Letter: Send leaders notice of Performance Management changes to be communicated to staff.	TOD
2	4 days	March 4 - 7	Schedule initial merit strategy meeting with senior leadership (March) and at least (2) meetings May 16 - 23 for PM/Merit calibration and final decisions. Document leader merit strategy and encourage them to share within school/unit in advance of the launch of the PM process.	HRBP
3	1 day	March 10	Leaders send pre-launch letter to schools/units.	Deans and VPs
4	1 day	March 11	PM training emails sent to managers and individual contributors.	TOD
5	5 days	March 14 - 18	GW SPRING BREAK	
6	5 weeks	March 24 – April 7	Deliver Performance Management training to managers and individual contributors.	TOD and Comp
7	5 days	March 31 - April 6	Complete and submit self-assessments for final check-ins in Talent@GW.	All Employees
8	10 days	April 7-20	Review final check-ins .	Managers
9	1 day	April 22	Provide calibration tool training.	TOD and Comp
10	5 days	April 21 - 27	Confirm ratings are consistent and supported by performance evaluation.	Next Level Approvers
11	3 days	May 6-10	Prepare and analyze PM data (missing ratings, etc).	HRBP
12	1 day	May 10	Run master report of performance ratings and merit input.	TOD
13	1 day	May 12	Final merit budget decision communicated.	BOT/Budget
14	1 day	May 13	Prepare final ratings and merit calibration files.	Comp
15	1 day	May 13	Download calibration file from Box.	HRBP
16	1 day	May 13	Send Merit Launch Memo.	Comp
17	1 day	May 15	Commencement	
18	6 days	May 16 - 23	School/unit performance rating and merit increase calibration meetings, based on the identified merit strategy.	Leaders, HRBP, FDs
19	5 days	May 23 - 27	Re-open TAG steps based on changes identified at calibration meetings.	HRBP, TOD
20	1 day	May 27	Calibration spreadsheets finalized and returned to Comp.	HRBP
21	10 days	May 25 - June 7	Blackout period for pay actions	

22	1 day	May 30	Holiday: Memorial Day	
23	4 days	June 6 - 9	Final Merit loaded into system of record.	HRIS, Comp
24	5 days	June 9 - 15	Distribute merit letters to Managers.	Comp, HRBP
25	1 day	June 15	Ratings released.	TOD
26	10 days	June 15 - 28	Performance and Merit discussions held.	Managers
27	1 day	June 20	Holiday: Juneteenth	
28	1 day	July 1	Effective Date: Merit Increase	
29	1 day	July 4	Holiday: Independence Day	
30	1 day	July 22	Pay date for first biweekly check reflecting new pay rate.	
31	1 day	July 29	Pay date for first monthly pay reflecting new pay rate.	

Note: *Managers and Next Level Approvers should complete the performance and merit review process even if a staff member does not submit a self-review.

Merit Process Frequently Asked Questions

Q: How do I know whether an employee is eligible for merit?

A: Merit eligibility criteria are outlined on page 4 of this guide. All employees that are eligible for merit based on these criteria will be included on the merit spreadsheet. Additionally, a Y/N indicator has been added to the Active Employee Report to specify merit eligibility. Schools/units should not develop individual eligibility criteria and should adhere to these university-wide criteria.

Q: Can I award merit to an employee that does not meet the eligibility criteria?

A: No. The merit budget was developed based on university-wide merit criteria and should be adhered to in order to ensure a consistent, equitable merit practice.

Q: Can I alter the calibration spreadsheet?

A: No, the calibration spreadsheets should remain intact; please do not add or delete any rows or columns. The only data that should be adjusted in the spreadsheet is the merit percentage and/or performance rating, accompanied by supporting justification, where applicable. If you need to alter the spreadsheet to facilitate your analysis, please make a copy of the file or duplicate the workbook and work in the alternate tab. Any spreadsheets received that are not in the original source formatting will be returned.

Q: How can I resolve discrepant or missing employee data?

A: The current owner of the record (home org, labor distribution, etc.) must initiate the correction through PeopleAdmin (PA7).

Q: What are some common reasons that an employee may be missing from the calibration spreadsheet?

A: The most common reasons that would cause an employee not to populate on the calibration spreadsheet is that the employee does not meet the eligibility requirements, a change in position, or incorrect timesheet org on their job record.

Q: What do I do if an employee does not have a performance rating?

A: A performance rating is the starting point for merit. A merit award cannot be submitted for an employee without a performance rating via the merit spreadsheet. Once the performance rating is finalized, the review task needs to be reopened and finalized with the rating in Talent@GW. If this is complete by the time of the merit upload, the record should be successfully updated. If not, a Personnel Action Form (PAF), together with a copy of the performance evaluation, should be submitted to award merit, which will result in manual entry.

Q: Will the employees on FMLA populate on the merit spreadsheets?

A: Yes. Employees on FMLA will populate on the merit spreadsheets if they otherwise meet the merit eligibility criteria.

Q: What is the current guidance pertaining to merit for employees on leave?

A: If an employee is on paid leave, merit must not be prorated. Managers should work directly with HR Directors on merit for employees on unpaid leave.

Q: Will international employees populate on the calibration spreadsheets?

A: International employees paid via GW payroll in Banner will populate on the spreadsheet, but may need to be uploaded via a separate process. HRIS will coordinate this effort on a case-by-case basis. International employees not in Banner (paid via third party international payroll) will need to be handled via PAF. Please work with your HRBP for any such employees.

Q: Will union employees populate on the calibration spreadsheets?

A: No. Union employees will be excluded from the spreadsheet and managed through a separate process, the timing of which is contingent upon negotiations dictated by each union's Collective Bargaining Agreement.

Q: Can an employee in their Introductory Employment Period (IEP) receive merit?

A: Based on the job begin date eligibility criteria, typically an employee must have completed the IEP in order to receive merit. If hired with a start date between January 1, 2022 to March 31, 2022 and successfully complete their IEP, an employee is eligible for a lump sum bonus up to 50% unit merit ranges, to be paid in December 2022.

Q: If an employee completed their IEP and meets the merit eligibility criteria, but does not have an official rating based on the timing of their IEP, can they still receive a merit increase?

A: If the employee was hired prior to January 1, 2022, they may be eligible for merit. These employees will be included in the final performance management process. If hired with a start date between January 1, 2022 and March 31, 2022 and successfully complete their IEP, an employee is eligible for a lump sum bonus up to 50% merit ranges, paid in December 2022. More information for this population will be provided late fall.

Q: Is there guidance pertaining to employees paid over the maximum for their current position?

A: If an employee is at or over the maximum pay for their position, they are not eligible for a merit increase to their base salary and will receive a lump sum payment in lieu of merit. This is a university-wide practice that must be applied consistently across schools/units.

Q: Are lump sum payments in lieu of merit optional for employees over the max?

A: Over the max lump sum payments are not discretionary payments. It is important to recognize staff contributions, even if their base salary is over the maximum for their position. These lump sum payments are part of the merit allocation and pay for performance process.

Q: What is the current guidance on performance bonuses?

A: If an employee provides outstanding and exemplary performance that the manager would like to recognize with a bonus, it is best practice to offer the bonus during the year, as close as possible to the specific effort being rewarded for maximum impact. Performance bonuses are not to be included on the FY21 merit spreadsheets. Performance bonuses are separate from the merit process and should be managed through the school/unit [HRBP](#); guidance on performance bonuses can be provided by your HR Business Partner.

Q: Can the merit letters be altered?

A: No. The Compensation-issued merit letter is the employee's official notification regarding their merit increase and compensation. This letter will be saved to the employees' employment record for compliance and audit purposes. If a school/unit wishes to provide a personalized message, they may create a cover letter to be delivered together with the official merit letter.

Q: Can I share the Salary Planning Guide with my team and/or client area?

A: Yes. We encourage you to cascade the Salary Planning Guide throughout your school/unit.

Q: Who should I contact if I have questions or concerns about the merit process, data in my spreadsheet, etc.?

A: Please contact Annie Hess, Director of Compensation, (ahess@gwu.edu) with any questions or concerns.