

BNL's SALARY ADMINISTRATION SYSTEM

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August 13, 2009



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To Be Covered Today:

- Salary Administration System
 - Goals
 - Job classifications
 - Job families
 - Salary schedules and ranges
 - Determination of ranges and employee salaries
 - Annual Salary Review
 - Exempt / Non exempt Status
- Information available to employees



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SALARY ADMINISTRATION GOALS

- Ensure that compensation decisions are made without regard to race, color, religion, gender, national origin, marital status, sexual orientation, citizenship, age, disability, veteran status, or any other characteristic protected by law or executive order.
- Maintain competitive pay levels.
- Reward performance.
- Ensure fair and consistent salary treatment.
- Attract, motivate, and develop employees to achieve BNL goals.

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Job Classifications

- Based on the nature and level of the work performed and the knowledge, skills, and abilities required by the position.
- Titles are assigned to each job classification.
 - Example: Project Engineer II
- HR maintains summary job descriptions for each classification which outline the typical duties and skills required to perform the job.
- Descriptions serve as guidelines that managers use to assign employees to job classifications.
- HR helps to ensure consistent application.

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Job Families

- Sequence of related job classifications that share the same nature of work
- Define an progression for careers and promotion of employees.
- Exist for many, but not all, areas of work.
- Example:
 - Assistant Staff Engineer (P-3)
 - Staff Engineer (P-5)
 - Project Engineer II (P-7)
 - Project Engineer I (P-9)
 - Senior Project Engineer (P-10)

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Job Families

- Enable proper compensation and career growth to employees.
 - Allow adjustments to employee's classification and associated salary range after substantial job changes occur.
- Progression to classifications in higher grades recognize increases in the responsibility and difficulty of the work, while the nature of the work remains similar.
- Promotions within a job family are not based on length of service or time in a classification.

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Salary Schedules

Monthly Salary Schedules

- Management
- Scientific
- Engineer/Scientific Associate
- Information Technology
- Technical Support/Supervisory
- Administrative

Weekly Salary Schedules

- Technical Wage
- Clerical Wage

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Salary Schedules

- Jobs classifications are assigned to salary schedules primarily on the basis of the similarity of the nature of work performed to other jobs.
- Each of the eight schedules contains several pay grades.
- For each grade there is a salary range.
- Job classifications are assigned to grades based on market value and a comparison of the level and scope of the job with other jobs.

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Pay Ranges: Monthly Grades

Divided into three equal areas related to job market rates

- Growth third
 - Typical entry
 - Lower than the general market average
- Competitive third:
 - Equal to pay for comparable jobs in other organizations
- Premium third:
 - Greater than comparable jobs in other organizations
 - Those who have consistently achieved levels of performance above expectations

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Weekly Grades

- **Step progression area:**
 - 6 steps
 - From minimum (start rate) to 24-month (job rate)
- **Merit area**
 - From job rate to maximum of range

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Salary Competitiveness

- BNL average salary levels are competitive with comparable organizations across all salary schedules.
- BNL's methodology for making this assessment has been validated by both DOE and Hay Management Consultants.



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Salary Surveys

- BNL participates in numerous national and local surveys of compensation for jobs comparable to those at BNL.
- Conducted by compensation consulting firms:
 - Mercer
 - Watson Wyatt
 - Pearl Meyer
 - Hay
- Furnish the best compensation information available and form the basis for:
 - Evaluating the Laboratory's competitiveness
 - Establishing salary ranges
 - Grade assignment of job classifications.
- Surveys define benchmark jobs.
 - BNL job descriptions establish comparability.

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Individual Rate Determination

- Salaries and job classifications
 - Initially established at hire.
 - assessed in an annual review.
- Annual Review is designed to ensure that employees are:
 - properly classified according to work assigned.
 - properly paid according to level of performance.

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Salary Review Process



- Plan salaries for focal point increase date of January 1.
- Salary plan is based on an authorized amount submitted to and approved by DOE.
- Plan is based on BNL's evaluation of market position by salary schedule and grade.
- Laboratory organizations begin salary planning in early November and complete by early December
 - after Summary Performance Level finalized.
- Employee increases are planned according to Salary Increase Guidelines.
- Total Increase Expenditures within allocations according to approved plan

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Merit increases are based upon:

1. Performance Level:

- Distinguished (DP)
- Commendable (CP)
- Effective (EP)
- Needs Improvement (NI)
- Unsatisfactory (UP)



2. The Range Third into which an employee's salary falls

Example: Staff Engineer in P-5 Salary Grade
Growth | Competitive | Premium
\$64,500 - \$73,050 - \$81,600 - \$90,150

3. Allocations within approved Salary Plan

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Promotions

- Basis: Performance of responsibilities commensurate with the expectations for a higher job classification, typically within the same job family
- Promotions that recognize career growth are proposed during the Salary Review.
- Promotional amount of approximately 2% is added to merit amount.
- New salary must be at or above range minimum.
- Promotions occur throughout the year when there is an immediate change and significant increase to an employee's job.

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Promotion Review Committees

- P-10
- I-10
- T-7
- A8 and A9

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Non-Exempt vs. Exempt Status

- **Fair Labor Standards Act (FLSA):** Federal law that defines minimum wage, and overtime pay and record keeping requirements
- **Exemption status** refers to whether or not a job is subject to overtime requirements of the FLSA.
 - Exempt are not subject to overtime pay requirements.
 - Non-Exempt are paid overtime for hours worked in excess of 40 per week.
- **How is a job classified as exempt or non-exempt?**
 - The job duties and responsibilities are evaluated to determine if they meet one of several possible bases for exemption.
 - If they meet none, they must be considered non-exempt.



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Online Compensation Information

HRROM Homepage: Salaries & Awards

- Salary Ranges
- Job Descriptions
- BNL Compensation Philosophy
- Compensation Related Training
- Compensation Staff
- Compensation Group's Mission
- SBMS Subject Areas:
 - Salary Administration
 - Awards and Bonuses
 - Roles, Responsibilities, Accountabilities and Authorities

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Now that Bob is finished with his talk

I was wondering.....



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