

Merit-Based Raise Policy

Purpose

This policy aims to reward employees for their individual contributions to the organization, encouraging high performance and aligning employee goals with company objectives.

Eligibility

All full-time employees are eligible for merit-based raises, provided they meet the following criteria:

- Successfully completed at least one performance review cycle.
- No more than two oral disciplinary reprimands.

Performance Criteria

Raises will be based on the following performance metrics:

1. **Job Knowledge:** Technical, Procedural, Organizational knowledge, and problem-solving skills.
2. **Productivity:** Ability to meet or exceed project deadlines and output expectations.
3. **Innovation:** Contribution of new ideas or improvements to processes.
4. **Teamwork:** Collaboration and support of team members and overall contribution to team success.
5. **Communication Skills:** Clarity, Articulation, Tone of Voice, Active Listening, Body Language, Eye Contact, and Gestures.

Evaluation Process

1. **Performance Evaluations:** Conducted annually in the first quarter of the fiscal year by the direct report.
2. **Goal Setting:** Employees will set SMART goals at the beginning of the review period, which will be referenced during evaluations.
3. **Feedback:** Regular feedback sessions will occur quarterly to track progress and address concerns.

Merit Raise Determination

- **Performance Rating Scale:**
 - Exceeds Expectations: 3% raise, score 90-100
 - Meets Expectations: 2% raise, score 80-89
 - Needs Improvement: No raise, score 0-79
- Raises will be evaluated annually, and budgets for merit-based increases will be reviewed each year.

Transparency

Employees will be informed about:

- The criteria for merit raises.
- The evaluation process.
- How raises are determined based on performance.

Appeal Process

See personnel manual.

Review and Adjustments

This policy will be reviewed annually for effectiveness and may be adjusted based on feedback and organizational changes.