

FAQs: FY 2011 Classified Employee Market Adjustments

Q1. What is market rate?

A2. The term “market rate” refers to the level of compensation an organization should provide to enable it to effectively compete against other organizations in attracting and retaining qualified employees. It is the average rate of pay for similar positions, generally in the local or regional area.

Q2. How is market rate determined?

A2. A consulting firm hired by the Kansas Legislature conducted a market analysis in FY 2007 by surveying employers within the state and region. The results of that survey are available at: <http://www.da.ks.gov/newpayplans/haysurveyresults.pdf>.

In addition, the Kansas Department of Administration conducted two follow-up surveys over the last two years. Those results are available at:

<http://www.da.ks.gov/newpayplans/group1marketsurvey.pdf>

http://www.da.ks.gov/newpayplans/2011Updated_Group2_Survey_Handout.pdf

The “Average Rate” of this Group 2 survey is the current average rate for all Kansas employees in that classification. The “Market Rate” is a composite of the In-State Survey Results and the other State Government Survey Results. Group 3 will be surveyed in the 2011 fiscal year.

Q3. What is a market rate adjustment?

A3. It is an increase in pay to bring the average pay rate up to or closer to the “market rate” for a particular classification. It is not pay for performance or a cost of living adjustment. More information is available at: <http://www.da.ks.gov/newpayplans/marketadjwhat.pdf>

Q4. To implement my market rate adjustment will I stay on the same pay grade, but receive a step increase or will my classification move to a new pay grade?

A4. It depends on the percentage increase. Some classifications will receive step increases, some will receive a pay grade increase but maintain the same step and others will receive both a pay grade increase and step increase. Specific information for each classification will be provided soon.

Q5. When will I receive the market rate adjustment?

A5. The FY 2011 market rate adjustments became effective June 13, 2010. If your classification is to receive a market rate adjustment, it will be reflected in your July 9, 2010 paycheck.

Q6. How does the State Employee Pay Plan Oversight Committee decide which classifications will receive market adjustments?

- A6. In general, beginning in FY 2009, market adjustments have been given to persons in classifications that survey data found to be paid on average the greatest under market. For example, the office/clerical series (Senior Administrative Assistant, Senior Administrative Specialist, etc.) were determined to be anywhere from 15% to 25% below market on the original survey. Thus, those classifications have received market adjustments of 5% in FY 2009, 2.5% in FY 2010 and 5% in FY 2011 for a total of 12.5% increase over three years. This still places these classifications under market but not as low as they were in the original survey. The committee's strategy is to particularly focus on classifications that are greater than 10% below market.
- A7. I see that a certain classification is receiving a market rate adjustment but that classification is not in this year's survey group. Why is that?
- Q7. The market surveys were broken out into three groups with the resulting market adjustments being implemented the following fiscal year. In some cases, however, the state distributed the market adjustments over several years which results in market rate adjustments outside their survey years.
- Q8. Which classifications are in which group?
- A8. For a list of classifications assigned to each new pay plan and classification group see: <http://www.ksu.edu/hr/compclass/Classified-PayPlanGroup.pdf>
- Q9. Why didn't I receive a market adjustment?
- A9. Either 1) it is not your year based on the implementation strategy (see A8. & A11); or 2) your classification is within 10% of the market rate.
- Q10. What are the new pay plans?
- A10. There will be five new pay plans by the end of the implementation strategy:
- 1) Basic Vocational Pay Plan – most similar to our current pay plan with steps
 - 2) Management Pay Plan – open pay ranges for the highest level of employees
 - 3) Protective Services Pay Plan – for police officers
 - 4) Professional Individual Contributor Pay Plan – for the traditionally recognized professions (nurses, engineers, etc.)
 - 5) General Classified Pay Plan – for all other classifications—there are steps for the minimum to midpoint and open ranges from midpoint to maximum.
- For more information about these plans see: <http://www.da.ks.gov/newpayplans/indivplans.htm>
- Q11. What is the current implementation strategy for the new pay plans?
- A11. The original schedule had the Group 1 pay plans to be implemented FY 2011 with Groups 2 and 3 to follow in consecutive years. Due to state budget constraints the

schedule has been revised and delayed one year:

<http://www.da.ks.gov/newpayplans/revisedimplementation.pdf>

Q12. My supervisor has not yet completed my 2009 performance review that was due last December, will this prevent me from receiving the market rate adjustment?

A12. No, the market rate adjustment is strictly market-driven and is not based on performance. However, when the new pay plans are implemented, performance will impact pay (although the specifics of this impact are still not known and will vary by pay plan.)

Q13. Where can I find additional information?

A13. The State of Kansas – New Pay Plans website is located at:

<http://www.da.ks.gov/newpayplans/default.htm>. In addition, you may contact the Compensation & Classifications unit of the Division of Human Resources, 785-532-6277 or email hr@ksu.edu.