



DEPARTMENT OF WORKFORCE SERVICES EMPLOYEE COMPENSATION PLAN UPDATES

October 2012

High Performance Administrative Salary Increases

- When management identifies employees as having achieved high performance levels over an extended period of time, they may submit their names to their division director for a “high performance” ASI.
- “High performers” will be defined by senior management and approved by EDO. In most cases and depending on the nature of the position, high performance ASI’s should be linked to producing results that reduce costs, improve quality, and increase throughput.
- Division directors must have their cost reduction plan submitted and approved by EDO prior to implementing a high-performance ASI.
- ASI’s issued for high performance must meet the requirement of long-term cost neutrality. Specifically, any ongoing annual salary increases must not increase the structural general fund deficit and therefore needs to be offset by ongoing cost savings. The ongoing cost savings must be documented, realized, and validated prior to approval of the high performance ASI being issued.
- In order to provide staff with a high performance ASI, management must submit an appropriately completed HR 101 form, with the “ASI - Performance” reason indicated and justification included.

Pay-for-Performance

- The Department intends to continue current pay-for-performance programs, provided they continue to demonstrate ongoing fiscal savings.
- Additional pilot programs will be expanded into other divisions where pay-for-performance programs are feasible.
- Before a pay-for-performance plan can be implemented, a proposal must be submitted to EDO for approval.

Cost Savings Incentive Plan

- The Department seeks to create a financial incentive for DWS employees to identify, develop, and/or enact efficiency, cost avoidance, or dollar-saving ideas.
 - Incentives would be available at all levels and in all positions across the Department.
 - Incentives will be awarded for ideas or suggestions that resulted in:
 - Realized cost savings that are measurable and tracked;
 - Cost avoidance that can be validated;
 - Process efficiencies that have verified improvement in service or quality.
 - Employees may submit ideas for any division or program area of the Department, not just their own.
 - Ideas and suggestions must not simply shift workload from one division to another.
 - Incentives may be awarded at an individual or team level.
 - Incentives will be primarily for ideas that can be quickly implemented with limited time investment and little implementation cost.
 - The process for evaluating, tracking, approving, and awarding incentives must not create undue or extensive administrative burden.
 - Cost savings ideas must not simply shift workload from one division to another.
 - All incentives paid are at minimum cost-neutral.
- To submit an idea for a cost-savings incentive, the following process should be followed:
 - Ideas or suggestions will be submitted through a central and standard process. A form has been created and will be available on the Intranet.
 - Ideas will be vetted with the applicable subject matter expert(s) to determine feasibility.
 - Division director approval will be required for ideas and/or suggestions to move forward to ensure alignment with business, operational, and policy needs/requirements.
 - The division director or assigned team member will implement the approved cost-savings proposal and then evaluate and document realized cost savings.
 - Incentive amounts for ideas that are implemented will be determined on a case-by-case basis.
 - Incentive awards will be processed and issued as one-time payments.