



Overview

The Department of Human Resource Management (DHRM) is statutorily responsible for classification and compensation of the State's workforce.

- Classification is assignment of employees to the appropriate job title and salary range for the work actually being performed
- DHRM conducts a salary survey annually, compiles data, analyzes our position against the market and other factors, researches market trends, and makes recommendations on employee compensation to the Governor each year. These recommendations typically include a mix of across-the-board increases and targeted funding.

Types of Salary Increases

Across-the-Board:

- General Increase - Provides a salary increase to employees within an existing salary range (designed to alleviate compression problems, help with recruitment efforts)
- Cost-of-Living Adjustment - Provides a salary increase to employees and increases the salary range itself (designed to keep up with inflation)
- Labor Market Increase - Provides a salary increase to employees and increases the salary range itself (designed to keep up with what the labor market is doing rather than the rising cost of goods/services)
- Merit Increase - Provides a salary increase to employees with successful or better performance ratings within an existing salary range (designed to reward performance)

Targeted Funding:

- Targeted Funding Increase - Provides a salary increase only to jobs that demonstrate real problems that can be attributed to compensation
 - Formerly known as Market Comparability Adjustments (MCA)
- Discretionary Increase - Provides a pool of funding for agencies to use at their discretion for things such as high performance, internal compression/equity, retention, etc.

How Can You Help?

- The Governor's annual budget request contains detail on specific compensation recommendations, including which jobs are included, how much the increases will be, and how it affects each agency
- Legislative subcommittees should be mindful that compensation funding for an agency may already be included in this budget request
- Why a central approach? Prevent double-funding or no funding
- Cross-agency jobs may not be looked at or fully understood statewide at the subcommittee level