



Karlstad University's

# PAY POLICY

## **PAY POLICY**

Karlstad University's pay policy establishes the principles and criteria that apply to pay setting for employees at Karlstad University. It also describes the procedures for dialogue between managers and employees, and the responsibility of managers as well as employees in ensuring a well-functioning pay formation.

Karlstad University's Strategy and Vision 2030 describes the university's overarching objectives. These are clarified through more detailed, concrete goals within the different departments/units of the university. It is important that every employee knows and is included in a dialogue about how they can contribute to the overarching objectives. The university's leadership and co-workership policy outlines what type of leadership and co-workership the university strives for, as well as the importance of continuous dialogue between managers and employees. All employees shall be invited to an appraisal with their immediate supervisor, which includes a dialogue on performance, development and salary. The appraisal also includes a discussion on individual goals and expectations as well as the establishment of a professional development plan. The pay policy and related guidelines are there to support managers and employees in converting the university's objectives into concrete action.

The pay policy should contribute to Karlstad University being able to recruit, develop and retain the skills required for the university's goals to be achieved in the short and long term. Committed and qualified employees are a prerequisite to realise the university's vision, strategies and goals, and for the university to be characterised by a stimulating and attractive work environment. Individual and differentiated pay setting is an important tool to spur high performance, commitment and professional development.

Pay setting should be based on objective grounds such as level of responsibility, complexity of the duties and the individual's performance and skills in relation to the organisational objectives. The market and other strategic consideration may also affect pay setting. Pay setting must not consider gender, age, ethnicity, employment type or scope of the employment.

All employees should be familiar with the grounds on which their salary is based and what they can do to affect their salary. The grounds for pay setting must be clear and shared with the employee. Appraisals shall therefore be held at regular intervals, with particular focus on issues that may be of importance to the employee's contribution to the operational goals and his or her future salary.

Managers at all levels in charge of pay setting must be highly familiar with the university's pay policy so that it is reflected in the pay setting. Managers in charge of pay setting also have a responsibility to ensure that the employees are familiar with the content of the policy.

### **Karlstad University's pay policy applies the following principles:**

- salaries shall be individual and differentiated,
- pay setting shall be based on objective grounds, irrespective of gender, age, ethnicity, employment type or scope of the employment,
- all employees shall be familiar with the grounds on which their salary is based and what they can do to affect their salary,
- managers at all levels in charge of pay setting must be highly familiar with the pay policy as well as ensuring that the employees are familiar with the content of the policy, so that it is reflected in the pay setting.

## GUIDELINES FOR PAY SETTING

Pursuant to the central agreements (RALS and RALS-T), pay setting shall be based on the following grounds:

- level of responsibility, complexity of the duties and other requirements associated with the employee's duties
- the employee's performance and skills in relation to the organisational objectives
- the market and other strategic consideration may also affect pay setting

Different factors, such as age, experience and qualifications, may affect an employee's work performance and may, thus, indirectly have an impact on pay setting.

**Level of responsibility, complexity of the duties** and other requirements associated with the employee's duties can be assessed based on a job evaluation. The job evaluation is based on an overall assessment of the knowledge and skills required for the position, as well as responsibilities and working conditions. Focus is on assessing the duties, not the individual who performs them.

**The employee's performance and skills** should be assessed in relation to the organisational objectives and the individual goals. It should be clear to the employee what is expected of them and, subsequently, the overarching objectives need to be broken down into goals or expectations at individual level. The individual goals or expectations are discussed in dialogue between the employee and his or her immediate supervisor. This clear connection turns the salary into a concrete incentive to contribute to both the individual and organisational objectives. A follow-up and an overall assessment in relation to set goals and expectations are conducted before the salary review.

Documents and guidelines to use as support for the dialogues between employees and managers regarding goals, performance and salary are available on the university's staff website.

**The market and other strategic considerations** may affect pay, especially for positions where it is difficult to recruit and retain staff.

## SALARY CRITERIA

Karlstad University has five general salary criteria: **performance**, demonstrated **competence**, **collaboration** experience, contributions to a positive **work environment**, and contributions to development. Below, we outline what each criteria entails. The salary criterion *performance* requires that the employee knows what is expected of him or her. Employees' willingness and ambition to take on new duties and show flexibility are examples of things that should be assessed in regular salary reviews.

### Performance

Good performance is achieved by:

- taking responsibility for the operational objectives and meeting the individual goals or expectations that are set out during the annual appraisals
- planning and completing your work tasks within specified frameworks
- conducting high-quality work
- following up on your own work and how it contributes to the general performance of the organisation.

### Competence

You contribute with your professional competence and apply your knowledge in your daily work by:

- actively staying up to date within your area of expertise
- acquiring and structuring new knowledge and information so that it contributes to solving problems
- identifying and implementing things that benefit the whole rather than only specific interests in separate units
- sharing your knowledge and experiences with your colleagues
- considering the regulations and operational goals that govern the university's activities in your work.

### Collaboration

You contribute to well-functioning collaboration by:

- communicating and actively participating in meetings within the university, with other higher education institutions as well as external organisations and partners in the surrounding community
- working actively in external and internal cross-disciplinary networks
- being available to colleagues, students and the surrounding community
- actively participating in workplace meetings and other department-/office-wide forums.

### Work environment

You contribute to a positive work environment by:

- adopting a respectful and positive approach to others in and out of the university
- offering your colleagues the opportunity to provide constructive feedback on your work
- listening to, encouraging and giving constructive feedback to your colleagues
- showing understanding and respect for other people's personal prerequisite
- promoting an inclusive atmosphere at work that is free from discrimination and harassment.

### Development

You contribute to your own personal development and that of the organisation by:

- contributing with ideas and suggestions on how the organisation and your own work can be improved
- paying attention to the consequences of new ideas and the ways in which different measures can have both positive and negative effects
- actively participating in planning and development work
- participating constructively in appraisals with your immediate supervisor
- actively planning and taking part in your own professional development in consultation with your immediate supervisor.

## DIFFERENT FORMS OF SALARIES

Karlstad University apply the following salary types.

- Monthly salary based on full-time employment
- Hourly wage
- Salary supplements

### Monthly salary

Monthly salaries are determined upon new appointments and in connection with the annual salary review. A monthly salary that applies during an ongoing agreement period will only change in circumstances outlined under the section “Additional review at other times than regular salary reviews” below.

### Hourly wage

Hourly wages apply to employees who work on an hourly basis with a fixed hourly rate. An hourly wage for employees who are already full-time employees only applies to tasks that are completely separate from the employee’s ordinary duties. A prerequisite for hourly wage is that work is conducted outside of regular working hours or during other time off, however, not during vacation periods or compensatory leave. Hourly pay for certain tasks is regulated in local collective agreements.

### Salary supplements

Salary supplements apply in accordance with local agreements for certain managerial and leadership assignments that are carried out as part of the employee’s regular duties. Additional remuneration in other cases should be avoided. Salary supplements do not apply if an employee is appointed more qualified duties or greater responsibilities as part of his or her employment. This is instead taken into account in the regular salary review.

In case of assignments where salary supplements are not regulated at group level, by local collective agreements or vice-chancellor’s decision, the head of HR may in exceptional cases decide on additional remuneration. The size of any additional remuneration is based on an assessment of the responsibilities involved as well as the complexity of the assignment. Salary supplements are limited to the time spent completing the assignment in question.

## PAY SETTING OPPORTUNITIES

### New appointment

When a new employee is appointed, the employer and the employee agree on the salary that will apply when the employment starts. Pursuant to local established practice, the employer shall inform local employee unions about the intended salary before a decision is made. An exception to individual pay setting are doctoral students, who are paid according to local agreement.

### Salary review

Salary reviews usually takes place on an annual basis, but there may be exceptions. It is during the salary review that salaries are determined. For more information on salary reviews, see section below.

### *Extended employment*

In case of extended fixed-term employment or a transition from fixed-term to permanent employment, the salary remains the same. The employee will be included in the salary review on the same grounds as the rest of the staff. When an advertised appointment starts with fixed-term employment in accordance with the Employment Protection Act (LAS), the salary may in exceptional cases be revised in connection with the employment transitioning to a permanent position if it turns out that the employee’s performance significantly exceeds the assessment made at the start of the employment. Decisions on changes in salary in such cases are made by the head of HR.

### *New duties within the university - similar requirements*

The salary shall be independent of the employee’s organisational placement. This means that if an employee moves to another department/unit or is appointed new duties that are deemed to require mainly the same level of skill, there will be no change in salary.

### ***Reassignment within the university***

Reassignment can be based on different factors. If an employee is reassigned in connection with the removal of a position, the employee has the right to keep the same salary. If the salary is high in relation to the requirements and performance level of the new position, this must be taken into account in future salary reviews until any salary difference can be explained based on the new duties and the employee's skills and performance. If an employee changes appointment for another reason, for example by applying to a new position voluntarily and in competition with other applicants being offered the position in question, the salary must be set in relation to the new duties and expected performance.

### ***Salary levels and market-based salary structure***

Sometimes, the salary level of the job market is higher compared to the university. This does not necessarily mean that the general salary level needs to be raised – but it might in the long term, if it is necessary to be able to recruit and retain important expertise. This is an example of factors that should be considered when recruiting new staff and in connection with regular salary reviews.

### ***Additional review at other times than regular salary reviews***

#### ***Salary increase for teacher who formally enhance their skills and qualifications***

Upon completion of a licentiate degree, doctoral degree or meeting the criteria of a docent, teachers employed as lecturers or senior lecturers receive a salary increase. The pay scale is specified in a local agreement.

### ***Returning to work after leave of absence***

In cases where an employee returns to work after leave of absence, it may be appropriate to conduct a salary review. A condition for this is that the employee has not been included in the latest salary review. Employees

who are on parental leave or sick leave (without full-time sick leave benefits) are normally included in the salary review and shall have their salary set based on the expected performance had they been working. An exception applies to employees with full-time sick leave benefits since this is not affected by their salary at the university.

### ***New duties within the university - different requirements***

In cases where the employee's duties change so significantly that higher or lower requirements justify a new salary, it is normally considered a new appointment. Vacancies within the state sector must be advertised in accordance with the Public Employment Act. In exceptional cases, the salary may be adjusted between salary reviews, for example in connection with reappointments according to the Employment Protection Act. Such decisions are made by the head of HR.

### ***Retaining key skills***

In exceptional cases, the employer may offer a higher salary to employees with key expertise if there is a risk that he or she might otherwise leave their employment at Karlstad University. The risk of the employee leaving must be evident, concrete and formally established, for example in the form of a job offer from another employer. This approach is applied very restrictively and only if losing the key skills in question would lead to evident and tangible problems for the organisation and its development. Decisions on changes in salary at other times than salary reviews are made by the head of HR.

## **SALARY REVIEW**

The salary review determines the salaries of the university's employees. The university and the local trade union organisations have signed local agreements on negotiation procedures that describe the process for the salary review at the university. The agreements are available on the university's staff website.

### **Models for salary review**

#### ***Salary appraisals***

Salary appraisals are based on a dialogue between the employee and his or her immediate supervisor where the two parties discuss the employee's work efforts and salary based on his or her performance and skills in relation to individual goals and the university's pay policy. The new salary is determined through an agreement between the immediate supervisor and employees who are members of a union. The idea behind salary appraisals is for a discussion on the employee's goals, performance and salary to take place between those who are best suited to assess this, namely the employee and his or her immediate supervisor.

#### ***Collective bargaining***

Collective bargaining is the process where salaries are determined for employees who are not covered by salary appraisals. The bargaining process includes discussions on employees' goals, performance and salary between the employer and concerned labour organisation. Payments can only be made once all salaries for employees within the same trade union have been determined.

#### ***Employees who are not union members***

For employees who are not members of a labour organisation and who are not covered by salary appraisals, salaries are determined pursuant to local employer's decision. For employees who are not members of a labour organisation but who work in a department/unit covered by salary appraisals, salaries are determined through salary appraisals unless there are any disagreements, in which case the salary will be determined pursuant to local employer's decision.

#### ***Local management***

For employees who belong to local management, salaries are determined in accordance with the Manager Agreement.

This policy is also available in Swedish at the university website or through the Human Resources Office.