

SUBJECT: General Compensation	NUMBER: 20.005.01
DIVISION: Chief Human Resources Office	EFFECTIVE DATE: 2/01/2019

APPROVED: Signature on file with the Chief Human Resources Office

POLICY STATEMENT: Oregon state government strives to achieve an equitable relationship between the comparability of the value of work, as defined in ORS 292.951, performed by employees within its established compensation and classification structure.

AUTHORITY: ORS 240.190; 240.235; 240.240; 240.250; 240.430; 291.371; 292.951; 652.220

APPLICABILITY: Classified unrepresented, management service, unclassified “executive” service and unclassified unrepresented employees

ATTACHMENTS: None.

DEFINITIONS: Also refer to State HR Policy 10.000.01, Definitions

POLICY:

- (1) Oregon state government shall establish and maintain a compensation plan for state employees that provides equitable compensation for the level and value of work performed, is competitive with comparable services in public and private employment, assists in recruitment and retention of qualified and competent employees, and promotes a high level of performance. Accordingly:
 - (a) The state shall hold internal equity based on work of a comparable character when determining pay.
 - (b) The state shall attempt to provide employees competitive total compensation with compensation for comparable services in public and private employment as the overall economic and budget condition of the state permits.
 - (c) The state shall establish a merit pay system to recognize, reward, and promote high levels of performance and motivate employees to achieve efficiency and effectiveness in their work by providing salary increases based on documented performance levels as described in State HR Policy 20.005.05, Merit Pay System and State HR Policy 50.035.01, Performance Management Process.

(2) Policy Clarification:

- (a) Value of work is determined by measuring the performance of work in context of the overall scope and mission of Oregon state government utilizing the factors outlined in ORS 652.220(2).
- (b) Total compensation is the total of state payments made for salary and benefits.
- (c) Competitive compensation is generally defined as within 5 percent of the average total compensation paid for comparable service in public and private employment. The job classification or position determines the appropriate mix of public and private employment to be used in assessing competitiveness. Both public and private sector employers, within and external to Oregon, may be included as appropriate.
- (d) Market information on benchmark positions and classifications plus internal comparability are used to establish the state's policy pay line.
- (e) Changes to the compensation plan are subject to prior review by a legislative review body.