

Employment Decision Guidelines

Summary:

Peoples is committed to providing employees the opportunity to develop in their careers, which can take form in different ways. Employees must determine their professional and personal goals as a starting point in establishing their career roadmap within the organization. The employee's aspirations must be balanced with the organization's business, regulatory and operational needs. Business leaders must define the staffing needs for their respective organization to successfully meet business objectives within their budget. Business leaders should also make every effort to provide developmental and engagement support to help employees prepare for future advancement into approved positions as these opportunities become available. The following guidelines are to assist business leaders in properly determining the appropriate employment decisions.

Guidelines:

As a general matter, the following are employment decisions that business leaders can consider:

1. Promotion – The movement of an employee from a job in one grade to another job in a higher grade or into a management position within the same grade.
2. Lateral Transfer – The movement of an employee from one job to another, remaining in the same grade, at the same level of responsibility.
3. Temporary Re-Assignment – Employee is assigned for a period of no more than 6 months to another role to complete a special project, provide coverage during the leave of another employee.
4. Additional Responsibilities – Employee remains in current position and is asked to undertake duties that differ from what is currently performed; participate in a special project; and/or perform more complex aspects of current duties.
5. Demotion – The movement of an employee from a job in one grade to another job in a lower grade.

A. Promotion of an employee may occur for the following reasons:

1. An employee applies for a position, which is internally posted, and is selected by the hiring manager as the qualified and successful candidate through Peoples' job posting and selection process.
2. Based on business need, an employee is promoted based on demonstrated advancement in the current job family to a position which exists or may require an update to the current job description.
3. Organizational structure changes resulting from operational needs.

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B. Promotion Processes:

1. Promotion as a result of a posting:
 - The vacant position is posted and the employee is the successful applicant for a position that is a higher salary grade than the current salary grade.
 - Budgeted vacant positions/backfills require the appropriate department approvals prior to posting.
 - If the manager decides to change the vacant position due to business needs, Human Resources will support the manager by understanding the need and exploring whether an existing position applies or a new position needs to be created.
 - Revised and new positions will be evaluated to determine the appropriate job grade. [Please note: The position is evaluated based on responsibilities as described in the job description, not based on potential incumbent. Increased volume, workload or use of new tools may not result in a change.]
 - Positions, considered net new and/or evaluated at a higher salary grade because they are incremental to the budget, require a business case and appropriate approval through the SVP prior to posting.

2. Promotion within a job family:
 - Managers will have the opportunity to submit a business justification to promote an employee to the next higher level position within the current job family.
 - Human Resources will support the manager by understanding how the position has changed and exploring whether an existing position applies or a new position needs to be created.
 - Revised and new positions will be evaluated to determine the appropriate job grade and salary recommendation. [Please note: The position is evaluated based on responsibilities described in the job description, not based on potential incumbent. Increased volume, workload or use of new tools may not result in a change.]
 - Positions, considered net new and/or evaluated at a higher salary grade because they are incremental to the budget, require a business case and appropriate approval through the SVP.

3. Promotion as a result of organizational structure change:
 - When a department or business unit determines a change is evolving, Human Resources will support the manager in an organizational assessment, which could result in the creation or elimination of positions, and the impact of these changes on the workforce.
 - The manager must prepare the business case and follow the process outlined above, depending upon whether the position is posted or promotion within a job family.

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C. Lateral Transfer or Temporary Re-Assignment

- Lateral Transfers/Temporary Re-Assignment of employees can occur through the same reasons outlined in the Promotion section above.
- Generally, there is no salary change for these two actions. However, the manager should work with Human Resources to evaluate whether the scope of responsibility or complexity of work warrants a salary increase recommendation or a lump sum amount.

D. Additional Responsibilities:

- An employee assigned additional responsibilities may warrant an increase in salary or a lump sum amount to compensate for the performance of the additional work. Generally, additional responsibilities do not warrant a change in job and/or salary grade.
- The additional responsibilities may be measured as part of the annual performance evaluation and rewarded by the performance rating and the merit pay awarded.
- An evaluation should be conducted by Human Resources to assist the manager to determine if the additional responsibilities are ongoing and/or more complex to warrant a salary increase recommendation.

E. Demotions:

- A department may determine it does not need the position held by an employee at the current level or an employee is not performing at the level expected but could perform at a lower level position within the job family. An analysis must be conducted as to whether the employee is to be reassigned to a position in a lower grade. The manager should consult with Human Resources to discuss the impacts of demoting an employee.

Pay Administration

Human Resources will work with the manager to provide an analysis of the difference in salary and job classification grade of the former job and the new job/assignment to determine the effect of the above job changes on an employee's pay. Promotional pay increase recommendations will be made by Human Resources as part of the manager developing the business case justifying the promotion.

Generally, pay increases can range between 5% - 10% of the employee's base salary. A promoted employee's salary will be adjusted to at least to the minimum of the new grade, if applicable. The amount of the increase is determined after an analysis of a number of factors, including but not limited to, the market data for the position, a review of incumbents in related jobs, the individual's salary history, education, experience and skills as related to the needs and expectation of the new job.

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When an employee is demoted to a job in a lower grade, an adjustment to pay may be made based on responsibilities of the new job and other comparisons within the same job or grade. If a determination is made to demote the employee, an evaluation by Human Resources is warranted to determine whether the employee's salary requires an adjustment to reflect the appropriate level given the reduced duties and/or responsibility.

Should an employee apply for and be selected for a position at a lower job grade and their current salary is above the top of the lower grade, Human Resources will perform an analysis on the appropriate salary adjustment recommendation, if any.

Position changes that result in an APIP percentage increase or decrease will be pro-rated for the amount of time spent in each respective position (effective May 5, 2018).

An exception to any aspect of this policy may occur due to labor market shortages, economic conditions and other unforeseen situations. These will be reviewed on a case by case basis, and a decision will be made in consultation with the Senior Vice President and Vice President, Human Resources.