

## **Performance and Salary Review Policy**

### **Purpose**

The performance appraisal process provides a means for discussing, planning and reviewing the performance of each employee.

Performance appraisals influence salaries, promotions and transfers, and it is critical that supervisors are objective in conducting performance reviews and in assigning overall performance ratings.

### **Eligibility**

All full- and part-time employees are provided an annual performance review and consideration for merit pay increases as warranted.

### **Performance Review Schedule**

Performance appraisals are conducted [*annually/quarterly/semiannually*] on [*an established focal date each year / dates announced by HR*]. Each [*Company Name*] manager is responsible for the timely and equitable assessment of the performance and contribution of subordinate employees.

### **Salary Increases**

A performance appraisal does not always result in an automatic salary increase. The employee's overall performance and salary level relative to position responsibilities must be evaluated to determine whether a salary increase is warranted. Out-of-cycle salary increases must be preapproved by the department manager, human resource (HR) director and [*Company Name*] president.

### **Salary Equity Reviews**

A manager may request an analysis of an employee's salary at any time the manager deems appropriate. This request should be made to the HR director, who will review the employee's salary in comparison to other employees in comparable positions and within the guidelines of [*Company Name*]'s compensation policy.

### **Processes**

HR will establish the format and timing of all review processes. The completed evaluations will be retained in the employee's personnel file.

Salary increase requests must be supported by a performance appraisal for salary change processing. Managers may not discuss any proposed action with the employee until all written approvals are obtained.

HR will review all salary increase/adjustment requests to ensure compliance with company policy and that they fall within the provided guidelines.

The HR director has the right to change, modify or approve exceptions to this policy at any time with or without notice.