

Allocating merit raises

[Business](#), [Management](#)



Allocating Merit Raise to Small The allocation of merit raises can be a difficult situation especially since making the decision without any form of checklist is recipe for bias and unfair cut deals. As such it is of sheer importance that in management one acquires skills and criterion to structure a merit raise based on either cost of living, merit raise rates or bonuses. Individual performance reviews are one basis for the merit raises. They are however subject to the employers' discretion and are dictated by profitability of the enterprise and the economic forces. In light of this, this paper is an attempt to design a merit raise criteria for a professors in the Management Department of Small State University.

Below is the Exhibit 4. 3 to help us compute the increments of the six professors.

Professor Current Salary Teaching Research Service

Houseman \$92, 000 Exceeds Exceeds Meets

Jones \$116, 000 Exceeds Far Exceeds Exceeds

Ricks \$135, 000 Meets Meets Far Exceeds

Matthews \$97, 000 New Hire New Hire New Hire

Karas \$100, 000 Far Exceeds Exceeds Meets

Franks \$90, 000 Meets Fails to Meet Exceeds

The raises it is noteworthy should be done on basis of merit and hence any other external biases and influences should not discern whether or not a professor gets a raise. As such, Houseman cannot get a raise simply to catch up with the others, Ricks cannot get a raise to cover for the 20, 000\$ loss, Matthews cannot get the loan based on his need to service his student loan and acquire new residence, Karas cannot get a raise because he threatens to

quit and Franks cannot get one because he needs to enhance a pension plan. These are worthy reasons but they are not based on merit.

Department Merit Criteria

1. As provided in the departments guidelines, teaching and research are considered more important than service to the University. Hence, teaching and research will take 80% of the funds provided each while service will take the remaining 20% of the total stake. The performance measures for research, teaching, and service respectively will weigh 40%, 40%, and 20% in the overall rating.

2. The four standards; Fails to meet, Meets, Exceeds and Far Exceeds will weigh 0, 1, 2 and 3 of the total merit cluster allocation respectively.

3. Raises will be awarded strictly in line with the results of the evaluation done by the department head on each professor and tabulated in the evaluation report, herein called “ Exhibit 4. 3”

4. A computation of the total amounts disbursements to the merit clusters will be calculated using the following formulae;

$$\% \text{ cluster weight} \times \text{Total disbursement}$$

100

Therefore;

$$\text{Teaching} = \frac{40}{100} \times 6,300,520$$

$$\text{Research} = \frac{40}{100} \times 6,300,520$$

$$\text{Service} = \frac{20}{100} \times 6,300,520$$

5. Personal raises per merit cluster will be computed from the total cluster funding.

As such, computing the personal merit raise for each professor is easy. It will

just entail computing the increment per cluster then adding the three up.

References

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