

## **STATE EMPLOYEE COMPENSATION**

### *Total Compensation for State Employees, 2017*

#### **RECOMMENDATIONS**

**Systematic, proactive approach to compensation** ► The General Assembly may wish to consider including language in the Appropriation Act requiring the Department of Human Resource Management to conduct analysis on the effect of salary increases from the previous two biennial budgets on recruitment and retention of state employees. Analysis should focus on job roles with previously-identified recruitment and retention challenges and the effect of salary increases, or lack thereof, on recruitment and retention. This information should be included in a biennial report to the governor and the House Appropriations and Senate Finance committees at the end of August prior to the first year of every new biennial budget. (Recommendation 6)

**Performance-based pay** ► The General Assembly may wish to consider including language in the Appropriation Act (i) directing the Department of Human Resource Management (DHRM) to establish guidelines for performance-based pay models and (ii) allowing agencies to implement performance-based pay models within the guidelines established by DHRM. (Recommendation 8)