

## **PROCEDURE 301-7 - MARKET ADJUSTMENTS**

A market adjustment is an increase in an employee's base pay rate within the current pay range. Market adjustments may not increase an employee's base pay above the pay range maximum. Johnson County Government may utilize market adjustments to ensure internally equitable and externally competitive pay rates for employees.

Market adjustments require the approval of the Department of Human Resources after consultation with the County Manager. Departments/agencies/offices may request a market adjustment within the pay range based on the following factors, alone or in combination:

- Internal equity: the pay rates of current employees with the same or similar qualifications who are in the same or similar positions.
- External market data: appropriate external market data from a reputable, valid, and verifiable source, collected and analyzed by the Department of Human Resources.
- Incumbent qualifications: knowledge, skills, abilities, experience, and related qualifications.

Market adjustments are effective the first day of the pay period following approval. The pay rate increase must be documented as a market adjustment. Market adjustments are not a substitute for merit pay rate increases and will not be implemented retroactively.

Market adjustments may not be provided to employees who are on a Performance Improvement Plan. If an employee is on a Performance Improvement Plan at the time a market adjustment is implemented, the market adjustment will be implemented the first day of the pay period following successful completion of the Performance Improvement Plan.

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