

2025 Annual Compensation Review

To MPEX Staff and Managers of MPEX Staff

The Annual Compensation Review exercise sets the foundation and process for the fair and equitable recognition of all MPEX employees who make a sustained positive contribution to the University, while also providing the flexibility to reward those whose contributions significantly exceed objectives. This annual review is the opportunity to evaluate whether an employee's salary is positioned properly in the salary scale, in relation to their performance and that of their peers. Individual increases may vary somewhat based on managers' discretion, but the enhanced guidelines encourage consistent application throughout the university.

2025 BUDGET

To ensure that McGill salaries remain competitive, recommendations for the annual MPEX compensation increase are based on thorough market research, such as surveys of projected salary increase budgets carried out by consulting firms, which provide information about comparator groups. The recommendations are then presented for approval to the HR Committee of the Board.

The total salary increase budget for the 2025 Annual Compensation Review process is 3.0%. Increases will be effective June 1, 2025.

ELIGIBILITY RULES



1. The reference period runs from January 1, 2024 to December 31, 2024. Staff must have started in a professional position or an excluded position by December 31, 2024.
2. In order to receive an increase, eligible employees must be active on the date of implementation, i.e. on June 1, 2025.

PERFORMANCE INCREASE GUIDELINES

Each employee's performance will be rated according to one of the five performance categories defined below. Each performance category has a recommended increase in relation to the 3.0% budget and to the individual placement in the compensation **zone**. Note that the minimum recommended increase for employees consistently meeting their objectives is 1.5%.

RECOMMENDED INCREASES

| Performance Assessment | Compensation Zone of Employee | | |
|--|-------------------------------|-----------------------------|---|
| CATEGORIES AND DESCRIPTIONS | ZONE 1 ENTRY | ZONE 2 TARGET | ZONE 3 EXCEPTION |
| <p>SIGNIFICANTLY EXCEEDS OBJECTIVES Employee consistently performs far above the required level in all key areas of responsibility. Their work is exceptional in terms of quality, quantity, and timeliness.</p> | Higher than budget | Slightly higher than budget | Close to budget |
| <p>EXCEEDS OBJECTIVES Employee regularly goes beyond the established standards in their role. Performance is notably higher than the average level.</p> | Slightly higher than budget | Close to budget | Slightly lower than budget |
| <p>CONSISTENTLY MEETS OBJECTIVES Employee reliably meets the established standards for their role. Performance is steady, dependable, and aligns with the goals set.</p> | Close to budget | Slightly lower than budget | Lower than budget |
| <p>PARTIALLY MEETS OBJECTIVES Employee meets some but not all the established standards for their role. There are areas where improvement is needed. Could apply to a recent hire who has yet to be able to fully contribute to the objectives.</p> | Slightly lower than budget | Lower than budget | Lower than recommended minimum increase |
| <p>REQUIRES IMPROVEMENT Employee does not meet the established standards for their role. Performance is below the required level in many areas.</p> | None | None | None |

For the *Not Applicable* category, please refer to the [2025 MPEX ACR FAQ](#).

2 SALARY SCALE UPDATE



STRUCTURE OF THE SALARY SCALE

The [MPEX Salary Scale](#) is organized around three points: the minimum, the midpoint and the maximum, for each of the 12 compensation grades (1A through 11).

There are three zones within each grade: *entry*, *target* and *exception*, defined in relation to the corresponding midpoint. An employee's salary is situated in one of the three zones by calculating his/her compa-ratio (individual salary divided by midpoint).

The midpoint is calculated based on the 50th percentile (median) of salaries in a market, in our case the Montreal market. It is the salary that is generally paid in the market for comparable jobs.

Based on current market data, the University will raise the overall midpoints by 1.5% effective June 1, 2025. The minimum and maximum of each grade will be recalculated based on the new midpoint. For this year, the maximum of grade 9, 10 and 11 will remain the same.

You will find additional details, background information and answers in the [2025 Annual Compensation Review FAQ](#). After thoroughly reading the FAQ, if you have further questions, please don't hesitate to speak with your manager or your local HR representative.

Diana Dutton Associate Vice-President, Human Resources

INTERNAL EQUITY REVIEW

For a limited number of employees, the Annual Compensation Review budget for their department may not be sufficient to position them appropriately within their salary scale, **based on performance and years in the role**. In these exceptional cases, they may require a special salary adjustment to be equitably positioned.



I am pleased to confirm that a limited centrally administered internal equity budget (**up to 0.4%**) will be available for this reference year to fund salary adjustments to position employees properly in the salary scale.

The salaries of MPEX employees will be reviewed and assessed within each unit in the fall of 2025, with the guidance of Human Resources. The necessary adjustments will be made in alignment with the Salary Administration Policy and the guidelines for base salary adjustments and will be effective November 30, 2025.

Eligible employees will be individually advised by the end of November if an internal equity adjustment will be applied to their salary.