



BossBot

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To address the issue of extending the current wage scale beyond 5 years or adding longevity pay, we can propose a comprehensive approach that combines both strategies while ensuring fairness and financial sustainability. Here's a structured plan:

Wage Scale Extension

1. Extend the Existing Steps: Modify the current wage scale to include additional steps beyond the 5-year mark. For example:

- Years 6-7: Step 1 increase.
- Years 8-9: Step 2 increase.
- Years 10+ : Step 3 increase.

2. Automatic Placement: Ensure existing employees are automatically placed in the appropriate step based on their tenure, maintaining parity with new hires and preventing pay disparities.

Longevity Pay Implementation

1. Introduce Longevity Pay: Add a longevity pay structure that begins after 5 years of service, with incremental increases at higher thresholds:

- Years 6-8: 2% increase.
- Years 9-11: 3% increase.
- Years 12+ : 4% increase.

2. Non-Cumulative Structure: Design longevity pay so it replaces or complements the extended wage steps, avoiding overlap and ensuring clarity in compensation.

Financial Considerations

- Budget Phasing: Implement changes gradually to manage budget impact, possibly over a few fiscal years.
- Predictability vs. Variability: Balance predictable wage increases with variable longevity bonuses to maintain financial flexibility.

Fairness and Parity

- Ensure No Disadvantage: Maintain current employee compensation standards, ensuring no existing worker is paid less than new hires, especially as steps are extended and longevity pay is introduced.
- Avoid Pay Compression: Structure increments to prevent situations where more experienced employees earn disproportionately less than newer ones.

Presentation and Implementation

- Clearly outline the proposed wage scale extensions and longevity pay structure, aligning them with previous agreements for consistency.

- Monitor and adjust based on feedback and financial performance to ensure effectiveness without unintended consequences.

This approach aims to reward long-term service effectively while maintaining financial stability and fairness within the organization.

Ask your question