JOB AIDS AND RESOURCES
Special Entrance Rate Guidelines

When a position has a Special Entrance Rate (SER) all new employees will start at the approved SER rate. The agency will also need to consider how the implementation of the new SER will affect those employees currently onboard. When appropriate, state agencies may choose to concurrently raise the pay of existing employees in the problem jobs on the effective date of a new SER policy, however, all current employees must be raised to the new SER if salary is below the SER. An existing employee's SER adjustment cannot exceed the percent difference between the minimum of the pay grade and the new SER rate for his job title except when the salary is being raised to the SER.

There may be some situations where the pre-approved rate is not enough to attract or retain employees. In these cases, agencies should submit a request to the Department of State Civil Service seeking Commission approval for a higher Special Entrance Rate. When asking for an SER above the pre-approved rate, agencies must submit the SER Questionnaire to the Compensation Division in accordance with Commission deadlines.

Whenever agencies opt to establish an SER or an FSER for new hires, an agency must raise employees in the same job, location or area affected to the same rate. Agencies may adjust other employees by a corresponding percent difference between the old and new hire rate.

The following are examples of titles/series that have particular pre-approved Special Entrance Rates assigned to them:

- **Management Intern** - Flexible up to $1556.80
- **Training & Development Intern** - Flexible up to $1192.80 biweekly
- **Behavior Shaping Series**
    - Behavior Shaping Specialist SS 406 $895.00
    - Behavior Shaping Supervisor SS 408 $1024.80

Samples of Rational Business Reasons Used to Obtain SER

Following are some examples of rational business reasons for implementation of an SER; this is not an all-inclusive list:

- There is a shortage of qualified applicants, or a shortage of applicants who have more than just the bare minimum qualifications. Agencies should first ask themselves this question: "Have we done any recruiting other than just asking for a list?"

- An agency is experiencing turnover problems. There is no certain percentage that defines "problem turnover". Depending upon the length of time it takes to train a new employee, the number of employees at an agency, and the size of the applicant pool, "problem turnover" can vary significantly. For some jobs, significant turnover could be 15%, for others, a turnover rate of 35% could be perfectly acceptable.

- If SERs are in place for jobs in many state agencies, an SER may be necessary. For example, many agencies have SERs in effect for Accountants and Engineers. If the majority of agencies are using SERs in these jobs, an SER may help to your agency to recruit highly qualified individuals.

- If an agency is competing with the private sector for the same employees, an SER may be necessary. However, do not assume that because the private sector pays higher, a state job is less desirable. With the volatility in the market place, state jobs are becoming more attractive. The fact that private industry and/or other governmental entities pay more than the state is not, in and of itself, a valid reason to raise salaries. If an agency is not having turnover or recruiting problems, current pay levels may already be competitive with local market conditions.

- An agency may have two sections that perform similar work and have workers with the same or similar qualifications, but only one section is experiencing recruiting problems. If an SER is implemented in the section that is experiencing recruiting problems, then the employees in the other section may transfer in order to get the SER. In this case, a rational business reason for implementing an SER in the second section would be to retain parity among the sections.

- An agency may have a job whereby the working conditions may warrant a higher pay level to attract and retain staff. These working conditions may be location, shift work, hazards, etc. In this instance, an agency may also consider Premium Pay under Rule 6.16(a) to address the working conditions.

Flexible SERs (FSER)

Civil Service has approved Flexible Special Entrance Rates (FSER) for all jobs in all pay schedules. FSERs are covered under Rule 6.5(b) just as are all SERs. The FSERs for each schedule are at the following range points:

Pre-Approved Flexible Rates

The flexible limits for jobs are at the following range points in the following pay schedules:

- Protective Service (PS) – rate equivalent to **1st quartile** as of April 2, 2008
- Labor/Trades (WS) – rate equivalent to **midpoint** as of April 2, 2008
- Scientific/Technical (TS) – rate equivalent to **1st quartile** as of April 2, 2008
- Social Services (SS) – rate equivalent to **1st quartile** as of April 2, 2008
- Medical (MS) – rate equivalent to **3rd quartile** as of April 2, 2008
- Administrative (AS) – rate equivalent to **1st quartile** as of April 2, 2008

The FSERs were approved as a convenience to agencies so they can react quickly to changing conditions and implement an FSER with a minimal effort. FSERs that are within the approved limits no longer have to go to the Commission for approval; however, you should have the same justification for implementation as you would if you were asking for Commission approval.

Not all jobs in all schedules need to have an FSER implemented in order to attract and retain qualified employees. You **MUST** have a rational business reason for implementing a FSER for a job or job series. Not all jobs in the state system have recruiting, retention, or market problems. The use of Louisiana Job Search has lead to increased applicant pools in many jobs. The average voluntary turnover rate during FY 2002/2003 decreased to 11%, the lowest rate since FY 1985/1986 (total state turnover for FY 2002/2003 is 13.8%). The new salary schedules have raised pay rates closer to market averages than ever.

Before you implement a FSER for a job series you should identify your rational business reason for the implementation and begin gathering data for the SER Questionnaire. FSERs should **NOT** be implemented simply because Civil Service has approved them. They also should not be implemented to be "fair" to all employees. They are not a means to give all employees in your agency a raise. The fact that your agency has the funding to implement a FSER of 5% above minimum and give everyone a 5% increase is not a rational business reason. FSERs should also not be implemented for all jobs simply to raise the starting salaries. Not all jobs need a higher minimum salary to attract and retain qualified employees.

Following are some examples of rational business reasons for implementation of a FSER (This is not an all-inclusive list of reasons, just some examples):

There is a shortage of qualified applicants or a shortage of applicants who have more than just the bare minimum qualifications. Have you done any recruiting other than just asking for a list?

- You are experiencing turnover problems; There is no certain percentage that defines "problem" turnover. Depending upon the length of time it takes to train a new employee, the number of employees you have and the size of the applicant pool, problem turnover can vary significantly. For some jobs, significant turnover could be 15%, while for others, a turnover rate of 35% could be perfectly acceptable.

- Some job series have SERs in effect in almost all state agencies. For example, most agencies have FSERs in effect for Accountants and Engineers. If the majority of agencies are using FSERs in these jobs, you will probably need to implement a FSER in your agency.

- You are competing with the private sector for the same employees and the private sector has a higher pay rate. Don't assume that the private sector always pays higher than state government, or that just because the private sector pays higher that a state job is less desirable. With the volatility in the market place at the current time, State jobs are becoming very attractive. Evidence of this is the employees in the Information Technology field who formerly worked for the private sector that are now employed by the State. The fact that private industry and/or other governmental entities pay more than the State is not, in and of itself, a valid reason to raise salaries. If you are having no turnover or recruiting problems, you probably do not need to raise pay levels.

- You may have two sections that perform similar work and have workers with the same or similar qualifications. Only one section has recruiting problems. If you implement an FSER in that section, the employees in the other section will just transfer over to get the FSER. In this case, a rational business reason for implementing an FSER in the second group would be to retain parity with the first group. However, just because you implement FSERs in one area does not mean that you should implement rates department-wide in order to be "fair" to everyone.

- You may have a job where the working conditions dictate that you must pay higher than the minimum to attract and retain staff. These working conditions may include location, shift work, hazards, etc. You will probably want to explore options available for Special Pay (Rule 6.16(a)) to address your working conditions in addition to, or instead of, an FSER.

If you have a rational business reason and decide to implement an FSER you MUST document that reason and develop a policy including the rate to be used and the effective date. All new employees will start at your new FSER rate. You will also need to decide how the implementation of the new rate will affect those employees currently on board. Remember, all employees must at least be moved to the new FSER rate. You may also give a percent difference increase to your current employees effective on the date of implementation of the policy.

The SER questionnaire is a list of questions that are typically asked to justify the implementation of a SER. Though you may not have an answer to each question the majority of this questionnaire should be completed with information that justifies your SER.

You should also remember that there are several ways that employees can be compensated either upon hiring or after. Rule 6.5(g) allows hiring up to the 3rd quartile based upon experience and credentials. Optional Pay (Rule 6.16.2) can be used to compensate employees who assume extra duties or receive job offers from private industry. The Exceptional Performance and Gainsharing Program (Rule 6.16.3) can be used to reward an employee or group of employees who have been instrumental in exceeding performance standards. Rewards and Recognition (Rule 6.16.1) is available for those employees who have demonstrated significant achievements. You may also have a job series that would benefit from the implementation of a Dual Career Ladder policy. You should consider all of the flexible pay options available and decide which option will serve you the best. Remember that all flexible pay options should be implemented in accordance with the Civil Service Rules and your agency policy. Some flexible pay rules require a Civil Service Commission approved policy.

To establish an SER Policy, refer to **Procedures: Special Entrance Rate – Policy Standards.**