



## Guidelines on salary structure

### Summary

The KTH Salary Policy is aimed at stimulating commitment, excellent work efforts and job satisfaction in such a manner that KTH:s overall results are promoted. Salaries must be objective, individual and differentiated, and contribute to attracting, recruiting and developing skillful employees to KTH. KTH will provide the opportunity for all employees to influence their salary development. Unmotivated salary differentials based on discriminatory grounds may not occur. The Salary Policy to be familiar to, and well accepted by, managers and employees.

### Salary structure

The Salary Policy will stimulate commitment, excellent work efforts and job satisfaction in such a manner that KTH overall results are promoted. The Salary Policy expresses the principles that KTH applies to salary assessment, what KTH wishes to achieve through its salary structure and the conditions that apply.

Salaries must be objective, individual and differentiated, and contribute to KTH attracting, recruiting and developing skilled employees. Individual salary setting is an important tool for stimulating employees to do their best work.

The central salary agreements (RALS)<sup>1</sup> sets the framework for the local salary structure. The salary structure, as well as salary setting, contributes to KTH achieving its objectives and that operations become efficient and rational.<sup>2</sup> This, together with operational requirements, financial preconditions and the necessities of competence management, are points of departure for successful local salary structure activities.

### KTH Objectives

- KTH will provide equal opportunities for all employees to influence their salary development. Each employees will know why their salary is at that particular level and what he or she can do to influence it.<sup>3</sup> The link between salary, motivation and work results is a driving force and creates commitment. The manager's ability to communicate goals and criteria for salary setting, coupled with skill and results, is crucial for objective and differentiated salary assessments.  
Employees must see the connection between their results and their salary very clearly. The dialogue between the manager and the employee will lead to the salary established in the KTH salary review to be perceived as a confirmation of what has been highlighted in this dialogue. Consequently, an employee will know what he or she can do to influence the salary level.

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<sup>1</sup> RALS 2010-T och RALS 2017-2020

<sup>2</sup> RALS 2010-T och RALS 2017-2020

<sup>3</sup> RALS 2010-T och RALS 2017-2020

- Unmotivated salary differentials on discriminatory grounds<sup>4</sup> may not occur. When setting salaries, KTH will, in particular, emphasise its responsibility to ensure subjectivity does not occur, in particular in view of the statutory prohibition on salary discrimination<sup>5</sup> and overall guidelines and policies concerning equality, diversity and equal opportunities at KTH.
- The salary structure at KTH must be adapted to the relevant market so that KTH can attract, recruit, develop and retain competent employees.
- The Salary Policy will contribute to KTH achieving its operational objectives and will be familiar to, and accepted by, all managers and employees.

## **Salary setting**

### **Individual salary setting**

In order for salary setting to have the intended impact on operations, it is vital that the salary-setting manager makes careful and objective assessments. Individual salary setting takes place at school or equivalent level, with the exception of new employment or promotion to professor and for doctoral students. Individual salary setting requires regular dialogue between manager and employee in the form of development and salary/salary level setting dialogues. None of these dialogues are, however, to be regarded as a salary negotiation.

Individual salary setting is based on the assessment of following criteria<sup>6</sup>:

- Responsibilities.
- The difficulty level of duties and other requirements that are linked to the duties.
- Skills and results in relationship to operational objectives.

### **Application of salary criteria**

Salary criteria relevant to operational objectives and different categories of staff must gain acceptance in the organization. They are regarded as a tool for the manager in the work of making objective assessments of employee skills and results, as well as provide support for managers and employees in their dialogue on salary.

### **Salary setting always occurs at**

- New employment
- Salary reviews

### **Renewed salary setting may occur at**

- Promotion to Professor.
- Promotion to Assistant Professor.
- Return to KTH after a long period of leave of absence
- Other limited-period employment within KTH

<sup>4</sup> Gender, gender identity or expression, ethnicity, religion or other belief system, disability, sexual orientation, age.

<sup>5</sup> Anti-discrimination Act

<sup>6</sup> RALS 2010-T och RALS 2017-2020

## **Change of salary during current agreement period**

A salary may only be changed during current agreement period in exceptional cases and after consultation with the HR Director or the person appointed by the HR Director<sup>7</sup>.

Salary review for employees whose job descriptions have been permanently amended

Circumstances to be considered include significant changes in breadth and extent of duties, increased responsibilities and powers or other material circumstances that constitute added value for KTH. This includes HR or budget responsibility, project management or increased operational responsibility.

Salary increments

Only used for time-limited assignments under special circumstances, such as time-limited management /leadership assignments or for time-limited contracts including tasks of a significantly higher degree of responsibility. KTH maintains a restrictive position on salary increments. Salaries must relate to all the duties that are included in the position.

Market situation

If a key competence of central importance to KTH are intending to leave KTH for other challenge, it is possible to assess external factors such as market sensitivity and the recruitment situation. Market sensitivity as a cause for salary adjustment is to be used very restrictively.

## **Salary setting in accordance with local collective agreement**

Salary levels according to local collective agreements, such as the doctoral student ladder, compensation for inconvenient working hours (OB), emergency preparedness or hourly pay for additional staff will be the same regardless of school and are negotiated centrally by HR department.

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<sup>7</sup> Delegation procedure