



## Policy 4.48 Pay Decreases

**Responsible Official:** VP for Human Resources

**Administering Division/Department:** Compensation

**Effective Date:** March 30, 2007

**Last Revision:** May 07, 2007

### Policy Sections:

- I. Overview
- II. Policy Details
- III. Related Links
- IV. Revision History

### Overview

A demotion occurs when an employee moves from a position in one job classification to another position which is classified in a lower pay grade; the original position is left vacant, to be filled or eliminated.

### Policy Details

A demotion may be employee or employer initiated.

- When a demotion results from an employee request, work performance or ability issues, the employee's salary should be reduced by an amount equivalent to a promotion adjustment, in accordance with the guidelines associated with promotions and reclassifications.
- When a demotion results from a management initiated reorganization or the elimination of the employee's position due to lack of funding, the employee's rate of pay may remain unchanged, depending upon factors such as internal equity and departmental budget constraints. The rate of pay resulting from the demotion may not exceed the maximum of the new range.
- Departments are required to consult with Compensation and Employee Relations before finalizing any demotion.
- Demotions must be authorized by the appropriate Vice President, Dean, Director or Department Head before processing by Compensation.

#### **MARKET RATE DECLINE**

If Compensation determines that the market value of a job classification has decreased and moves that title to a lower pay grade, the rate of pay for the employees in that job title will not be reduced.

### Related Links

- Current Version of This Policy: <http://policies.emory.edu/4.48>

### Revision History

**No previous versions of this policy were found.**

*Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly encouraged to visit [policies.emory.edu](https://policies.emory.edu) to ensure that you are relying on the current version.*