



**STATE OF HAWAII  
DEPARTMENT OF HUMAN RESOURCES  
DEVELOPMENT  
POLICIES AND PROCEDURES**

POLICY NO./DIVISION  
ABBREVIATION  
201.001  
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TITLE:

**EXCLUDED MANAGERIAL COMPENSATION  
PLAN PERFORMANCE EVALUATION AND  
VARIABLE PAY**

APPROVED

  
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**I. POLICY**

An objective evaluation of the performance of managers in the Excluded Managerial Compensation Plan (EMCP) shall be conducted regularly. Aspects of performance to be evaluated shall include managerial competencies and other relevant factors.

**II. RATIONALE**

Clarity and agreement on goals and priorities, periodic assessment of progress and achievements, and linkages between performance, achievements and rewards, contribute to a higher level of performance.

**III. DEFINITIONS**

“EMCP employee” means an employee appointed to a position assigned to the EMCP, other than through a non-civil service appointment.

**IV. SCOPE**

This policy applies to all EMCP employees within the State executive branch, other than EMCP employees of the Hawaii Health Systems Corporation (HHSC).

**V. RESPONSIBILITIES**

- A. The department of human resources development (“HRD”) is responsible for the development and implementation of the EMCP Performance Evaluation and Variable Pay System, including recommendations to the governor as to the form (e.g. salary increase, bonus, in range progression, etc.) and mechanics (how individual pay adjustments are determined) of the compensation adjustments.
- B. The appointing authorities are responsible for the administration of the EMCP Performance Evaluation and Variable Pay System within their respective departments, as applicable.
- C. The departments are responsible for reviewing the EMCP Performance Evaluation and Variable Pay Manual for specifics.

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**VI. GENERAL PROVISIONS**

See EMCP Performance Evaluation and Variable Pay Manual.

**VII. PROCEDURE**

See EMCP Performance Evaluation and Variable Pay Manual.

**VIII. BACKGROUND**

Act 253, SLH 2000, amended chapter 89C, HRS, to allow for "variable adjustments" within homogeneous groupings (e.g. EMCP employees) of employees excluded from collective bargaining, except for civil service employees under the same classification systems as employees within collective bargaining units. The amendment took effect on July 1, 2002 and the governor in office at that time issued Executive Order 02-01 granting variable adjustments for EMCP employees beginning July 1, 2002. The EMCP Performance Evaluation and Variable Pay System was developed and implemented to provide an appropriate mechanism for the variable adjustments.

**IX. AUTHORITIES AND REFERENCES**

Internet site: <http://www.state.hi.us/hrd/>

Executive Order 02-01, dated June 7, 2002

§ 76-13 (8), Hawai'i Revised Statutes, *Specific duties and powers of director.*

§ 76-17, Hawai'i Revised Statutes, *Rules; policies, standards, and procedures*

§ 76-27 (c), Hawai'i Revised Statutes, *Probationary service and other requirements for membership in the civil service*

§ 76-41, Hawai'i Revised Statutes, *Performance appraisal systems; failure to meet performance requirements*

§ 89C-2, Hawai'i Revised Statutes, *Adjustments authorized; limitations and restrictions*

§ 89C-3, Hawai'i Revised Statutes, *Adjustments for civil service employees*

§ 14-1-3, Hawai'i Administrative Rules, *General responsibilities of the director*

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§ 14-1-4, Hawai'i Administrative Rules, *General responsibilities of departments*

§ 14-3.05-4 (b), Hawai'i Administrative Rules, *Membership in the civil service*