Tips for Managing Salary Reviews – All Employees

- Salary increases should be based on the two factors: the profitability of the practice and each individual employee’s contribution to that profitability.

- It’s generally recommended that you not establish a pattern of automatically increasing each staff members’ salary every year. This can create an expectation that could be difficult to maintain if the practice experiences a downturn in profits.

- It’s up to you to determine if the practice can afford to increase staff salaries and, if so, the amount that each employee should receive.

- Discuss key performance indicators (KPIs) at monthly staff meetings so the team knows how the practice is doing and how they can contribute to future growth.
  - KPIs typically include metrics on production, collections, profit, overhead, etc.

More information about KPIs is available in the Measuring Success article in the Managing Finances module of the ADA Guidelines for Practice Success™ (GPS™).