



<b>Policy name</b>	Remuneration policy
<b>Date of implementation</b>	December 2017
<b>Date of last review</b>	NA – New policy
<b>Date of next review</b>	December 2020
<b>Purpose of review (if any)</b>	To provide clear guidance on how PWYP decides on level of remuneration
<b>Related documents</b>	Staff handbook Staff advancement policy Professional development Performance assessment forms Global Benefits principles

## CONTENTS

<b>Introduction</b>	2
<b>Definition</b>	2
<b>1) Job scores and job evaluation</b>	3
<b>a) Evaluation criteria</b>	3
<b>b) Principles of evaluation</b>	3
<b>c) The process of evaluation</b>	4
<b>2) Global salary Scale &amp; Bands</b>	4
<b>3) How salaries are decided</b>	4
<b>4) Cost of living adjustment</b>	5
<b>5) Documentation of salary changes</b>	5
<b>6) Acting up allowances</b>	6

## Introduction

People are PWYP's primary asset. To recruit and retain talented team members, we are committed to provide a competitive remuneration package, a policy on career progression and professional development opportunities.

In October 2016 PWYP commenced an extensive human resources review process, which resulted in:

- New, consistent titles for regional, programme and enabling functions staff and alignment of staff to appropriate titles and salary levels.
- Global benefits principles
- Updated Job descriptions
- A new competency framework
- A revised performance assessment system

The full suite of PWYP's policies around remuneration and professional development include:

- Professional development policy (issued December 2017)
- Staff advancement process (issued December 2017)
- Global Benefits principles and guide (updated December 2017)
- Remuneration policy (issued December 2017)

## Definition

PWYP aims to provide a fair remuneration that will attract and retain the high calibre of staff that is required to deliver our strategic objectives and to advance our mission and values.

In order to accomplish this, we recognise the following important principles:

- Our job roles should be carefully designed so that they reflect the work which is necessary to achieve our strategic objectives. As much as possible and where relevant, PWYP will maintain a database of standard job descriptions that use consistent terminology in outlining the key accountabilities of our jobs.
- The personal qualities of job holders, that are required to support high performance in these roles, should be clearly articulated
- Salaries should be awarded according to the difficulty and complexity of each job and this then takes into account the knowledge, experience and competence that is required of the job holder, The individual performance of job holders in the role should be supported through the performance assessment and staff development process but will not be taken into consideration when defining salaries.
- The process by which jobs are evaluated to determine the levels of difficulty & complexity should be consistent and transparent
- The job evaluation process must also be easy to apply so that it can be understood within the organisation and externally by our funders to support our budget negotiations
- The salaries and benefits should be competitive with other INGOs of similar size and mission, and keep pace with inflation, within affordable limits.



- In line with the goal of recruiting and retaining high-performing employees PWYP will reward excellent performance.

#### 1) Job scores and job evaluation

All jobs are awarded a score as determined by the Job Evaluation Panel. This panel should be made up from a team taken from across the organisation. This team will have appropriate training in the scoring process. A minimum of 3 people shall form the panel for the purposes of determining job scores.

##### a) Evaluation criteria

The purpose of Job Evaluation is to fairly and transparently determine the level of difficulty and complexity that is inherent in each job. In order to do this, a points-based scoring system has been developed. Jobs are scored on a scale from one to a maximum of six against each of the following dimensions:

- Knowledge or Experience Required
- Sophistication of Skill Required
- Thinking Challenge Involved
- Independent Action Expected
- Responsibility for Others
- Impact on the Success of the Organisation
- Responsibility for Physical and Financial Resources

The total points scored across all seven dimensions are recorded for each job, and this information is used to place each job onto the Global Salary Scale (shown in summary overleaf).

##### b) Principles of evaluation

In all evaluations, the following principles are applied:

Evaluate jobs not people	The concern is with the job not any individual job-holder. All bias must be disregarded.
Assume fully acceptable performance	Evaluation assumes competent performance of all aspects of the job as defined in the job description.
Examine current jobs	Evaluate jobs as they exist now, not as they may be in the future nor by reference to past history.
Evaluate job content	Disregard existing levels of pay and perceived status. Look only at the demands of the job.

c) The process of evaluation

A Job Evaluation Panel will be appointed by the Executive Director, and all jobs within the organisation were evaluated by them when the Global Salary Scale was developed. As new jobs are created the Job Evaluation Panel will be convened to evaluate the job and determine the points score. The Job Evaluation Panel may also be requested to evaluate changes to jobs descriptions as described in the [Advancement Policy](#).

Scores are passed to the Director of Finance and Operations who then reconciles the scores and updates the Global Salary Scale. This scale is then ratified by the SMT (or the Board in case of Executive Director).

In updating the Global Salary Scale, it is inevitable that the SMT will occasionally over-rule the findings of some of the Job Evaluation Panel. When this occurs, the Director of Finance and Operations will consult with members of the Panel in order to ensure full understanding of the decision-making criteria. The decision of the SMT is, however, final.

The Global Salary Scale is reviewed in its entirety every five years.

## 2) Global salary Scale & Bands

Copies of the full scoring system may be obtained from the Director of Finance and Operations.

Once a job is positioned into the Global Salary Scale it would not be expected to move unless there is a substantial change to the nature of the job - see [Staff Advancement policy](#) for detail. There is no automatic points increase over time.

## 3) How salaries are decided

Salaries are decided based on the following three criteria:

1. What other similar organisations are paying
2. The cost of living and inflationary increases
3. What the organisation can afford

PWYP aims to place salaries at the medium level when compared to other similar INGOs. In order to determine this mid-range position, we will participate in an externally run salary survey conducted by a specialist consultancy firm every five years. This process is referred to as 'benchmarking' Survey results will then be fed into the salary review process mentioned previously.

The benchmarking process is carried using Global Salary Data and is produced in order to determine a salary scale for all roles.

**Benchmarking based on role.** Pay benchmarking is a process of collecting data on the compensation for similar jobs in other organisations in similar markets to establish their market rate and track movements in those rates. The aim of this process is to help set the organisation's own pay rates at the appropriate level in order to recruit and retain the staff it needs without paying more than

necessary. To determine the prevailing rate for a job, organisations can benchmark jobs against data from other organizations and industries, comparing the rates of pay offered for similar jobs.

PWYP base salaries have been established and will be paid in one of the three core currencies – GBP, Euro, and USD (as at 24 January 2017). The applicable currency will be relevant to the country of employment and apply to all staff whether citizens of the country or third country nationals. The base salaries are increased according to the cost of living in the country of residence according to the UN Cost of Living database<sup>1</sup> (October 2016 data). The country mark-up will be reviewed on a regular basis in conjunction with reviewing rates of inflation.

**Setting the range.** Each PWYP role on the base salaries table has a range. Point 1 represents what a fully proficient, satisfactorily performing staff member would be paid. A staff member who is both fully proficient in the role and consistently meeting stretch expectations may be paid above the Point 1. Points range from 1 to 4. Staff performing at the expected level will be placed on level 1 (as noted above) – this is not the basic salary but it is the expected level of performance. The benchmarking exercise match salaries to the benchmark at level 1 performance – this means that anything higher than a 1 will be remuneration above the benchmark. Further details are available in the [Staff Advancement Policy](#).

It should be noted that, in determining salaries, the financial status of the organisation will be taken into account. Thus the Director of Finance and Operations has the primary role in recommending the salary which will be awarded to each salary grade. The resultant salary structure is ratified by the SMT.

#### 4) Cost of living adjustment

##### **Annual pay review process**

The decision as to whether or not there will be an annual pay award will be made based on PWYPs financial position and budget. If there are sufficient resources, then a pay award will be included in the budget assumptions. PWYP will consider the annual pay increase taking into account:

- the change in cost of living in the country of residence,
- the change in exchanges rates in the same period (on the basis that staff are paid in USD, Euro and USD)
- Global inflation rates, and
- any other data deemed appropriate in order to facilitate fair and equitable increase across the secretariat staff (eg Country mark ups).

##### **Communication**

Once the salary adjustments are approved by SMT, the approach will be shared with managers. Individual pay awards will then be communicated by the Director of Finance and Operations. They will be paid in the next pay cycle and backdated with effect from 1 January each year.

#### 5) Documentation of salary changes

---

<sup>1</sup> [https://unstats.un.org/unsd/mbs/data\\_files/rpi.pdf](https://unstats.un.org/unsd/mbs/data_files/rpi.pdf)



**PUBLISH WHAT  
YOU PAY**

If staff salaries are changed during the contract period (for instance as a result a salary review or cost of living increment), staff will be sent a letter documenting the changes and the date of implementation. A copy of the letter will be placed in the employee's file, annexed to the contract and shall be considered a part of the contract.

#### **6) Acting up allowances**

'Acting up' is when a member of staff covers the work for a more senior member of staff when they are absent. It is PWYP's policy that all staff should be willing to cover for colleagues during absences and should be flexible in going beyond their job description in order to ensure the success of the team. Therefore, as a general rule, 'acting up' allowances are not given. However, staff should note that their competent performance whilst 'acting up' will be noted as evidence of their suitability for promotion positions.