



# Annual Remuneration Review For Professional Support Staff





# Phased Approach

This guide has been developed to support and assist you to complete the remuneration review for Professional Support (Allied) employees on Individual Employment Agreements (IEAs) reporting to you. It provides key process information for you to undertake employee remuneration reviews in a staged and timely manner.

NB: Remuneration for employees on collective agreements is managed through the collective bargaining process.

This year, we are looking to start to streamline and realign our remuneration practices. This is part of a shift towards ensuring that we are linking performance and remuneration. Currently we have a number of processes that come into effect at different times during the year. For example: - step increases, annual review, bonus review.

We have been doing a lot of work in the background to size all our roles with a CareerMapping tool. As such the banding and steps have been adjusted.



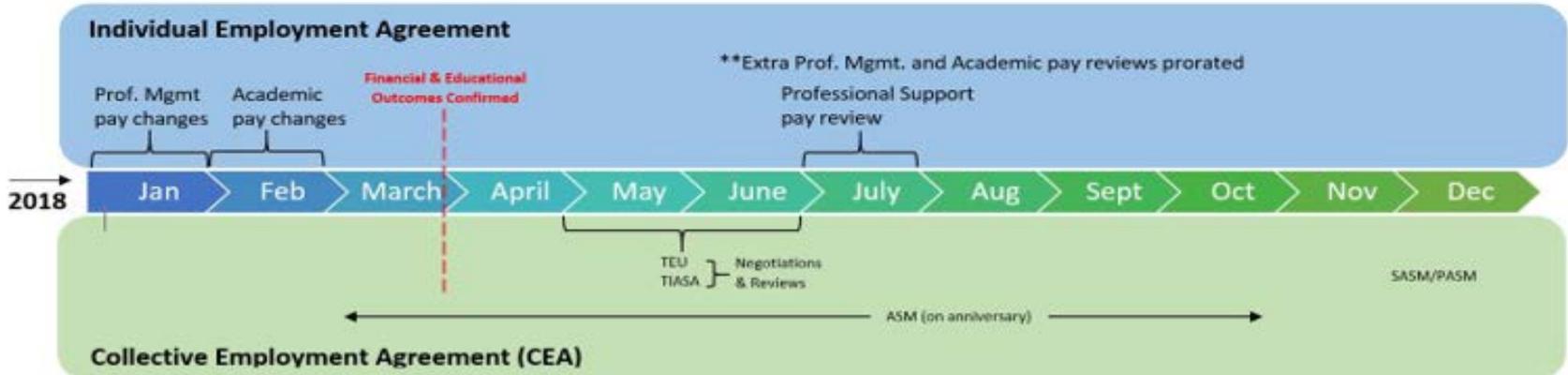
# Phased Approach – (1)

## Current State - 2017



\*All bonus decisions and payments moved to April 2018.

## 2018



\*\*Prof. Mgmt Academic staff will receive a pro-rated review mid-year so that going forward all IEA's are in line and will be reviewed together mid-year.



# Phased Approach – (2)

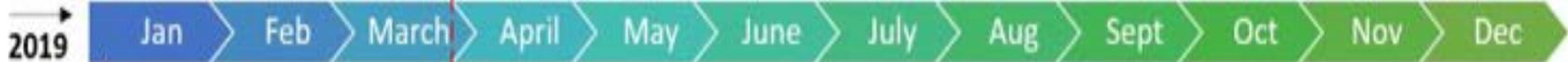
2019

## Individual Employment Agreement

Pay reviews for all IEA  
(Any increases for Prof. Support grade 1-4,  
Step 1-3 to be paid on employee)

Financial & Educational  
Outcomes Confirmed

Bonus decision and  
Payment



SASM/PASM  
TEU  
TIASA } Negotiations  
& Reviews

ASM (on anniversary)

## Collective Employment Agreement (CEA)

May/June  
2017

Collectives  
(CEAs)

Tiasa  
TEU

July  
2017

Professional  
Support IEAs

Unitec Grade	Open/Fixed	Step
Grade 7	Open	Max
		Min
Grade 6	Open	Max
		Min
Grade 5	Open	Max
		Min
Grade 4	Open	Max
		Step 4
Grade 4	Fixed	Step 3
		Step 2
		Step 1
		Step 1
Grade 3	Open	Max
		Step 4
Grade 3	Fixed	Step 3
		Step 2
		Step 1
		Step 1
Grade 2	Open	Max
		Step 4
Grade 2	Fixed	Step 3
		Step 2
		Step 1
		Step 1
Grade 1	Open	Max
		Step 4
Grade 1	Fixed	Step 3
		Step 2
		Step 1
		Step 1

December  
2017

Professional  
Management

Academic

## PROFESSIONAL SUPPORT EMPLOYEES FALL INTO THREE AREAS FOR THIS REVIEW

**ALL Professional Support Employees (Allied) – IEAs (excludes Management)**

Remuneration for all reviewed annually in July and actioned

Step increase actioned on anniversary for those on Grade 1 – 4  
Step 1 – 3

### **AUTOMATIC (No Action Required)**

**Employees on Grade 1 – 4  
Step 1 - 3**

Remuneration for all reviewed in July each year and actioned.

Step increase as per new rates applicable on the employee's anniversary – this increase will be larger than normal (as it will include both the annual pay review and step increase) and will happen automatically following confirmation from you that the employee's performance is satisfactory.

This increase is all inclusive of the remuneration increase for the employee for the year.

### **ACTION REQUIRED**

**Employees on Grade 1 – 4  
Step 4**

Those people currently on Step 4 will receive a remuneration review linked to performance as there are no automatic steps to progress to. They will move from Step 4 to the open grade. They will receive a pro rated increase relative to the date they became Step 4 and the date of the change will be 1 July 2017 (the effective date of the increase).

### **ACTION REQUIRED**

**Employees on Grade 1 – 4, above Step 4 and all of Grade 5 – 7**

Increase as per your proposed and accepted recommendations in order with the guidelines for this remuneration review. Any increases will be effective 1 July 2017.

# Remuneration Review/Spreadsheet

You will receive a spreadsheet populated with your direct reports which has restricted access and is only accessible to yourself, your Executive Leader and your HR Business Partner.

Your spreadsheet is editable only in the cells highlighted in yellow. There is a drop down box in the performance result field and this will impact the generated recommendation.

Remuneration Review Spreadsheet													Budget	1.5%	\$0							
													Cost of Changes		\$0							
													% of Changes									
Reviews																						
Empl Rcd	Name	Business Title	Home Dept ID	Dept ID Descr	Grade	Step	Current Base Pay	Fixed Remuneration	Last Base Salary Increase Date	Salary Increase in the last salary review round	Bonus Received Dec 2016	Performance Result	Recommended Increase	PIR%	Step Increase	Recommendation from Manager	or Enter Lump Sum (\$)	New Base Salary	New Fixed Remuneration	New PIR%	Rationale	
																\$0						
												Outstanding Effective Needs Development Excluded from Review				\$0						
																\$0						
																\$0						
																\$0						
							\$0	\$0					\$0			\$0	\$0	\$0	\$0	\$0		
Empl Rcd	Name	Business Title	Comment																			

# Detailed Background/Information

1. New rates have been set for all employees on Step 1 – 3 in Grade 1 – 4 (fixed) and these will be automatically updated on their 12 month anniversary following confirmation from you that their performance is satisfactory (same process as existing). We have confirmed rate increases from 1 July and these rates will now encompass a rate that will include consideration for both the step increase and annual review. In the past, employees would have received two payments 1) a step increase for those moving to a new step and 2) and an annual review which usually resulted in a percentage increase. Both of these steps are now combined to provide you with **one** increase for the year which is aligned to market conditions, business performance and employee performance.
2. For those employees on Step 4 (fixed) in Grade's 1 – 4, we will calculate a recommended increase for the employee based on the date your employee started on Step 4. This is a transitional change so that these employees then line up with an annual July review.
3. For all `open` grades, eg: Grade 1 – 4 (above Step 4) and all of Grades 5 – 7 you will receive a spreadsheet along with an allocated budget for your department (see example below). You have autonomy to utilise this budget to ensure that you reward performance for this group of employees. This may be a different practice than you have utilised in the past where you may have provided everyone with the same percentage increase. For all of these employees, we have provided you with information on recent previous increases and their position in range for their role and a proposed recommended increase. In terms of proposed increases, you need to consider all this information and then put in an amount based on a percentage increase or a lump sum value. You may want to consider a lump sum in scenarios where the person may be a high performer and be at the high end of the position in range (eg: over 115%), rather than adding to their base salary. We ask that you best utilise your budget to reward high performance and ensure we retain your key talent. If you feel that there is someone that merits a greater increase in remuneration than your budget allows in order to retain them, then a business justification will need to be provided in the comments box.

Updated Schedule (previously found in IEA). We have updated this to be in line with market remuneration data and will work within our budgets over a period of time to get people in line with the market median. Any increases will depend on employee and business performance.

Unitec Grade	Open/Fixed	Step	2016	2017	No on G/S
Grade 7	Open	Max	110,696	129,030	
		Min	93,994	95,370	
Grade 6	Open	Max	94,883	109,365	9
		Min	78,287	80,835	
Grade 5	Open	Max	79,071	94,990	35
		Min	64,077	66,080	
Grade 4	Open	Max	68,792	79,925	52
		Step 4	60,580	63,245	
		Step 3	58,550	59,770	8
	Fixed	Step 2	56,512	57,685	4
		Step 1	54,478	56,600	4
Grade 3	Open	Max	57,724	67,850	81
		Step 4	51,682	53,690	
		Step 3	49,964	50,740	8
	Fixed	Step 2	48,242	48,970	10
		Step 1	46,516	47,200	14
Grade 2	Open	Max	49,816	58,535	22
		Step 4	42,242	46,319	
		Step 3	40,832	43,774	3
	Fixed	Step 2	39,422	42,247	4
		Step 1	38,014	40,720	1
Grade 1	Open	Max	40,326	45,598	2
		Step 4	33,476	36,082	
	Fixed	Step 3	32,386	34,099	
		Step 2	31,286	32,910	1

These employees will be in your spreadsheet and you will evaluate accordingly within your set budget

These rates have been increased and employees will move to the next step increase on confirmation of satisfactory performance

CONFIDENTIAL

# Process Steps and Timeline

15 Sept

## Provisional Remuneration Recommendations

- HOPP/Tier 3 Manager receives Network/Service Group Remuneration Spreadsheet from HR Services
- HOPP/Tier 3 Manager assigns provisional remuneration changes in line with budget requirements and taking into account the employee's performance

18 Sept – 26 Sept

## Provisional Recommendations Reviewed & Calibrated

- HOPP/Tier 3 Manager initiates a meeting with their HRBP to review provisional remuneration recommendations
- HOPP/Tier 3 Manager provides remuneration recommendations within budget with justification for any proposed exceptions to their One-Up Manager for review

27 Sept – 2 Oct

## One-up Manager Review

- In consultation with One-Up Manager and HRBP, adjustments made to recommendations to ensure consistent calibration across wider Business Unit
- One-up Manager review of recommendations completed and forwarded to Executive Leader

3 Oct – 5 Oct

## Executive Leader Review

- Executive Leader to review and adjust recommendations to ensure consistent calibration across wider business area and with allocated budgets
- Executive Leader Review of recommendations signed-off and forwarded to HR Services for collation

6 Oct – 11 Oct

### CEO/Executive Moderation/ Approvals

- HR Services collate provisional remuneration recommendations from all Networks/Service Groups and provide to CEO with overview for consideration
- CEO/Executive Leader review, moderate and adjust provisional recommendations and send back to HR Services for distribution to Deans/Managers
- Final recommendations approved and signed off by CEO

12 Oct – 20 Oct

### Administration of Final Review Decisions

- HR Services send Approved Remuneration changes to Payroll for processing
- HR Services begin mail merge of employee Remuneration Review Letters
- HR Services to check Remuneration Review Letters and provide to Executive Leader for signing and distribution to direct reports

24 Oct – 3 Nov

### Communicating Final Review Decisions

- HOPP/Manager contacts employee to communicate remuneration changes
- HR Services mail merges and prints remuneration letters and gives to Managers to personally deliver to employees

7 Nov

### Remuneration Changes Processed

- Payroll runs pay for Remuneration changes and provides payslips to employees
- Effective date of review is 1 July

# Roles and Responsibilities

Here's an outline to help you understand the roles and responsibilities of all participants in the review process.

## **Manager Responsibilities:**

- Understand and manage remuneration review process steps and timeline dates
- Manage employee expectations
- Undertake the review process in a fair, transparent and consistent manner
- Ensure remuneration recommendations are within set budgets and are fiscally sound
- Provide remuneration recommendations to Executive Leader for review and sign-off
- Communicate remuneration decision and give letters to employees. Liaise with HRBP if you need any assistance managing expectations

Sign off final spreadsheet confirming rate changes prior to letters being printed for your personal delivery to individuals

## **CEO & Executive Leadership Teams' Responsibilities:**

- Review remuneration recommendations for Network/Service Groups ensuring recommendations are fair and consistent
- Veto decisions and recommendations where there are implications or risks that are likely to have a significant impact on an area outside the area that the Dean/Manager is directly responsible for
- Ensure all performance and remuneration decisions align to Unitec's Kaupapa
- Moderate remuneration recommendations with CEO to ensure fiscal consistency across the organisation
- Sign-off provisional and final remuneration recommendations

*Continued...*

## **Employee's Responsibilities:**

- Be open to changes in remuneration strategy
- Respect the confidentiality of their remuneration changes

## **HRBP / HR Services Responsibilities:**

- Ensure consistent understanding and application of remuneration review criteria across the business
- Co-ordinate process and provide on-going support to Deans/Managers and Executive Leaders throughout the review process
- Distribute Network/Service Group specific employee information Spreadsheets to Manager
- Facilitate calibration and review meetings with Managers
- Collate provisional remuneration recommendations and provide with overview to CEO
- Mail merge and send individual employee remuneration letters
- Check individual employee remuneration letters and forward to Executive Leader for signing.

# The Remuneration Review

## Budget

- The aggregate percentage adjustment for Professional Support employees on IEAs for this year is 1.5%. As above, this will only apply to those over Step 4 from Grade 1 – 4 and all employees on Grade 5 – 7. Other employees on Steps 1 – 3 will have their remuneration adjusted accordingly on their anniversary following satisfactory confirmation of their performance. The budgeted amount allows for inflationary and in range movements. This includes a degree of “within range” movement for individuals where applicable.
- The total budgeted increase for your unit/team is shown on your Remuneration Spreadsheet.

The total budget for your unit/team should not be exceeded. If you have people who have performance issues, they should receive no increase or a minimal increase this year. This then gives you flexibility to reward your key talent and high performers and stay within budget. You may decide not to use your full allocation.

## What to consider when reviewing remuneration level for an employee

- The staff member’s overall performance
- Time in current role
- Position in range

## Resolving problems

- Any concerns over the outcome of the remuneration review should first be documented by the Manager and discussed with the employee with a view to reaching a mutual agreement
- If the individual is still unhappy with the outcome, the process for resolving problems outlined in the individual’s employment agreement will apply and the Business Unit’s HR Business Partner consulted.

**If you have any further questions about the review process, please contact your HR Business Partner.**

# Frequently Asked Questions

- Q. *I have a new employee who started on 10 April 2017, are they included in this review process?***  
A. Employees who join Unitec on or after 1 January 2017 will not be included in the review process for this year (2017).
- Q. *Are fixed-term employees included in this review process?***  
A. If their Fixed-term role is for a period of one year or more and they commenced before 1 January 2017, they will be included in this year's review process.
- Q. *If I am due a step increase on the anniversary of my employment (say November), what will my review involve at this point?***  
A. Your step increase will continue to be implemented on your anniversary (say November). There will not be an additional increment at this time – it will all be included in the step increase in November.
- Q. *Are casual employees included in this review process?***  
A. If they have been in a casual role prior to 1 July 2016, they will be included in this year's review process. Any increases will be effective from 1 July 2017.
- Q. *What if a team member disagrees with their approved remuneration increase?***  
A. It is important that you work with your team member to resolve any differences in view of their expectations. If they are still uncomfortable with the outcome, you can ask your HR Business Partner to assist in seeking a resolution.
- Q. *What happens if I have an employee on Parental Leave?***  
A. Employees on parental leave will be included in the review process. Their new pay rate (if changed) will be effective from 1 July 2017. When reviewing remuneration, Managers should take into account the amount of time that they have been at work in the relative review period along with their performance level.
- Q. *What happens with employees who have changed roles during the year?***  
A. Employees that have changed roles prior to 1 April 2017 will be included in this review. Any recent changes in remuneration will be included in the spreadsheet so you have all the information at hand. Employees that have changed roles after 1 April 2017 will only be included if they did not have a remuneration change at the time of the change in role.