

# RR REMUNERATION REVIEW

## CSI's New International Service Offerings

CSI now has the capability to implement an internationally recognised job grading system and provide clients with remuneration market data and HR policy information from around the globe.

This capability comes as a result of a recently formed strategic alliance with Watson Wyatt, one of the world's leading international benefits and human resources consultancy firms.

"Our alliance with Watson Wyatt is a significant event in CSI's history and a great opportunity for us to broaden our service offerings to clients,"

said Mr Jairus Ashworth, CSI's Managing Director.

Watson Wyatt's extensive range of compensation reports and HR reference manuals are published on a country by country basis. They report on remuneration and HR conditions for countries within the Asia Pacific, Europe, Middle East, Africa, and the Americas.

Watson Wyatt's Global Grading System (GGS) provides organisations with a simple, easy-to-use methodology for job levelling across functions, business units and countries. GGS is akin to tradi-

tional job evaluation, but is more flexible, and is easier to implement, communicate and manage.

"GGS is the job evaluation tool for the 21st century," commented Mr Ashworth.

The system also provides a valuable platform for setting HR policy and is an excellent base on which to establish internal relativities and to determine benefit allocation, incentive levels and so on.

For more information, please contact CSI's Business Development Manager, Paul Wright, on 61 2 8440 6500 or [pwright@csirem.com.au](mailto:pwright@csirem.com.au)

## The Latest In Leave Policy Trends

The detailed market trends contained within CSI's just released *Leave Policy & Practice Report 2005* serves as a benchmark with which to review organisational leave policies and draw comparisons with current market practice.

The report features policy information collected from 234 Australian and NZ organisations. Interesting Australian trends include:

- Contrary to popular belief that leave loading is passé in Australia, this benefit is provided by almost 50% of organisations, all of which set the rate at 17.5% of base salary.
- Sick leave is offered by all surveyed organisations and 74% allow for accumulation of an unlimited amount of sick leave days.
- Paid military leave and paid emergency services leave is provided by close to one third of organisations.
- Unpaid leave is offered by most organisations, however, 74% report having no set policy/limit on the amount.

To purchase this report, contact Christine Rulli on 61 2 8440 6500 or [crulli@csirem.com.au](mailto:crulli@csirem.com.au)

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### Stat Wrap

Forecasts depict easing of economic growth relative to the 04/05 financial year. Growth figures for 05/06 are expected to be 2.5% - 3.1%.

- CPI - 3.0% annualised (September 2005).\*
- Unemployment rate - 5.0% (September 2005).\*
- Newspaper job ads in September 2005 rose by 0.2%.
- Newspaper advertisements are now 6.2% lower than in September 2004. (ANZ Job Ad Series - trend figures).

\*[www.abs.gov.au](http://www.abs.gov.au)

### IT Spot

According to CSI's IT/Computer Specialists Survey, employers of IT staff predict an average 4.1% salary increase for 05/06.

The IT industry index stands at 68.63 in Sept 2005, up 0.54% from Aug 05. However speculation that Telstra may be cutting 8,000 of 46,000 jobs will send ripples through this sector. (Olivier Internet Job Index).

The ICT Vacancy Index fell by 0.6% in the four weeks to mid Oct 05, which is 29.3% higher than Oct 04.

### Skilled Vacancies

The Australian Workplace Skilled Vacancies Index fell by 0.2% in October 2005.

The Index is now 7.6% lower than in October 2004.

Vacancies for both Professionals and Associate Professionals rose by 1.2%. Trades vacancies however fell by 1.4%.

Annual decreases in vacancies were recorded in all states/territories except QLD and NT, which reported increases of 2.2% and 7.6% respectively.

[www.workplace.gov.au](http://www.workplace.gov.au)

### Editor's Message

With this edition of Remuneration Review we announce our strategic alliance with Watson Wyatt and our upcoming Strategic Sales Commission Workshop. We also provide vital information on current HR policy trends; and illuminate Volante's post merger remuneration solution.

Email your feedback and suggestions to:

[natashae@csirem.com.au](mailto:natashae@csirem.com.au)

**Natasha Edwards**  
Marketing Communications Executive

## Market Trends In Relocation Policy & Practice

Domestic and international relocation of employees is becoming a hot issue. Some organisations need to share top talent across various global locations. Other organisations view employee relocation as an effective method for motivating and retaining key employees.

It has been estimated that for an international relocation organisations spend up to five times the cost of the relocating employee's ordinary domestic salary.

Due to these enormous costs, it is vital that policies are market competitive and based on best practice. They should be geared towards optimising the experience of relocating employees, containing relocation expenses and ensuring that knowledge gained by employees during a relocation is retained within the organisation.



*"It has been estimated that for an international relocation organisations spend up to five times the cost of the relocated employee's ordinary domestic salary"*

The results of CSI's Relocation Policy & Practice Report 2005 provide an excellent analysis of financial and non-financial aspects of relocation policy.

Some of the key market trends revealed within the report include:

- Up to 76% of organisations indicated that the family or spouse of the employee could accompany them during long-term and permanent relocations, both domestic and international.
- Spouse support in the form of job search assistance, career-enhancing activities, financial compensation for lost wages and/or the costs of finding work is not the norm, especially during domestic relocations.
- Assistance with schooling and child care expenses is increasingly common

as the duration of the relocation increases, with 4% of organisations providing assistance for business trips, 29% for permanent domestic moves and 68% for international long-term assignments.

- The majority of organisations provide some rental support, with 47% fully paying domestic accommodation costs for the entire duration of the relocation.
- 56% of organisations pay a living away from home allowance for short-term domestic relocations and 72% pay allowances for short-term international relocations.

Market trends are based on information collected from 210 Australian and New Zealand organisations.

The report includes a case study from ADI Limited.

To order a copy of this report please contact Christine Rulli at CSI on 61 8840 6500 or [crulli@csirem.com.au](mailto:crulli@csirem.com.au)

## Aligning Sales Commission Plans To Business Strategy

CSI invites you to explore the key role that aligning your sales commission plan to organisational strategy plays in the ultimate success of a plan.

On 18<sup>th</sup> November, 2005 in Melbourne and 30<sup>th</sup> November, 2005 in Sydney, CSI will be holding the Strategic Sales Commission Plan Design Workshop. This workshop is designed for HR and Sales decision-makers who are involved in de-

signing and implementing sales commission plans.

In session one of the workshop, Graham Childs, principal and co-owner of MasterTEK, will guide participants through the steps required to develop a strategically aligned and effective sales commission plan.

In session two, guest speakers from Microsoft and Unisys will discuss their real-

life sales commission experiences and address some of the current hot issues.

Session three will see participants broken into small groups and provided with a brief outlining requirements for a sales commission plan. The groups will act as consultants to review and recommend solutions.

To register for the Strategic Sales Commission Plan Design Workshop, contact Christine Rulli on 61 2 8440 6500 or [crulli@csirem.com.au](mailto:crulli@csirem.com.au)

### Hot Jobs

According to Hays, a specialist recruiter, the following jobs are hot from a recruitment perspective:

**Accountancy & Finance:** In NSW, Sarbanes Oxley specialists, Internal Audit, part qualified CPA or CA candidates with 2-3 years experience and newly qualified accountants. In QLD, Commercial Managers, Tax accountants, and Auditors. In WA, Financial and Management Accountants.

**Architecture:** Graduate Architects with 3-5 years experience. In Brisbane, Landscape Architects and Senior Interior Designers.

**Banking:** Superannuation processing and client servicing roles, lending and lending support roles, and entry-level candidates with office administration experience.

For full details of the Hays Quarterly Forecast, which details current market conditions for sectors across Australia, please visit: [www.hays.com.au/forecast](http://www.hays.com.au/forecast)

### Executive Demand

In September 05 the E.L Index rose 6% compared with the previous month, evidence that executive demand has been on a gradual upswing for over a year.

"Executive demand is in a strong growth period and if we take into account a certain amount of monthly volatility this is likely to continue for the foreseeable future," said Mr Grant Montgomery, Managing Director of the executive search firm E.L Consult that researches and publishes the E.L Index.

Among the states, New South Wales recorded the strongest result for September compared with the previous month.

Tasmania and South Australia also recorded positive results, however Victoria and the ACT recorded slight falls.

E.L. Consult researches and publishes the E.L. Index. For more information refer to: [www.elconsult.com](http://www.elconsult.com)

### Hiring Report

Hays, a specialist recruiter, provides hiring expectations for the coming quarter:

**Accountancy & Finance:** Permanent vacancies will remain steady. Temporary hiring intentions are expected to increase as businesses seek assistance with budget preparation and year-end requirements.

**Architecture:** Hiring intentions will remain strong up until Christmas when an increase in temporary vacancies is expected as employers seek to finalise projects to start the new year on target. Permanent vacancies will remain strong, particularly for Graduates, CAD and Senior Project Architect roles.

**Banking:** After an increase in hiring levels in August, hiring intentions should remain steady, despite isolated instances of recruitment freezes.

For full details of the Hays Quarterly Forecast, which details current market conditions for sectors across Australia, please visit: [www.hays.com.au/forecast](http://www.hays.com.au/forecast)



## A Post Merger Remuneration Solution For Volante

Following Volante's merger with Iplex the business identified the need for a solution to assess and manage remuneration for all employees within the 'new Volante'. Kylie Sprott, Volante's Group Human Resources Manager engaged CSI as the solution provider and we recently discussed the project and the results for Volante.

### Describe Volante's remuneration objectives following its merger with Iplex.

We needed to address salary levels across the entire merged entity. Our aims were to identify areas where there were significant differences between employee's salaries and market rates and begin to build strategies to address them. We also wanted to implement a new commission plan that would be more appropriate for the 'new Volante'.

### Why did you approach CSI for assistance?

We have a long standing relationship with CSI and we knew that CSI would provide the right skills to assist us in achieving our aims.

### Describe the solution offered by CSI.

CSI's solution included matching Vo-

lante's employees to both CSI's salary surveys and then Volante's internal banding structure. It also included a CSI Consultant working with the HR team and in some cases line managers to build the benchmarks and provide ad-hoc remuneration advice. The solution was designed and documented to ensure that the developed structure could be maintained in-house by the Volante HR team on an ongoing basis.

### What work did the CSI consultant actually perform for Volante?

A thorough review of all of our salary bands was performed and a new and much more sophisticated spreadsheet to manage remuneration was put in place. Assistance with a job grading exercise was also provided along with recommendations for a revised commission plan.

### Describe the experience of having a CSI Consultant work closely with you and your team.

It was an absolute pleasure to work with CSI - the consultant that performed the bulk of the work for Volante very quickly became one of the team! CSI's interaction with us was extremely professional

and it produced high quality solutions to address all of our issues. Working together was a lot of fun.

### What were the results for Volante?

A much more sophisticated and appropriate system for our salary bands and commission plans. It was also very useful to have such a strong relationship with CSI - they understand our business really well now and so if we require any additional help on other matters, it won't take long for them to provide appropriate advice.

### Can you provide a personal comment/opinion/recommendation about CSI and CSI's services?

I can't speak highly enough of the team at CSI. They have been extremely helpful with all of our growing requirements around remuneration and benefits - they really are an extension of our team. Our relationship has developed over time and CSI has always been extremely proactive in helping us.

*For more information on how CSI can assist your organisation with a remuneration solution, please contact Paul Wright, Business Development Manager, on 61 2 8440 6500 or [pwright@csirem.com.au](mailto:pwright@csirem.com.au).*



## Feeling frustrated with your annual salary review process?

**RemSys - Salary Increase & Review Process Software automates manual salary review processes**

Call CSI for info on +61 2 8440 6500 or email [consulting@csirem.com.au](mailto:consulting@csirem.com.au)

## CSI News Update

In November 2005, CSI will celebrate 20 years of excellence as a leading provider of remuneration management advice and information. We thank all of our clients for their continued loyalty.

Long standing employee, Kylee Small has recently returned from Parental Leave to take up the position of Executive Manager. Her main responsibilities will be to strategically lead the sales and marketing team as well as manage the CSI remuneration training function.

With more than three years of remuneration experience gained within the Sydney office, Penny Fox has accepted the newly created position of Remuneration & Benefits Specialist within the Melbourne office.

With Penny Fox relocating to Melbourne, CSI has recruited and welcomes a new part-time student research analyst/data administrator, Taryn Timm.

CSI also welcomes Fiona Mu-Hsing Lim into the position of Analyst Programmer.

Fiona's initial responsibilities will be to scope out the software design requirements for providing clients with the facility to do data 'cuts' online.

CSI's head office in Sydney will be moving premises in November 2005 to accommodate growing staff numbers and business expansion. We look forward to meeting you in our new offices.

CSI's new location is Level 12, Chatswood Central, South Tower, 1 - 5 Railway Street, Chatswood.

