

# Remuneration - Senior Leadership Position Classification Procedure

## Section 1 - Purpose / Objectives

(1) This procedure aims to ensure the remuneration and benefits for senior staff are applied in a consistent and equitable manner and will be:

- a. Sufficient to attract, retain and engage high performing staff.
- b. Aligned to the University's goals and strategic plan.
- c. Fair and reasonable payment for 'whole of job' contribution.
- d. Sufficiently flexible to compete effectively in the market, whilst being financially sustainable.
- e. Considerate of internal relativities.
- f. Appropriately transparent and clearly communicated.

(2) This document describes the process undertaken to classify and determine the level of remuneration for senior positions outside the standard classification levels contained in the relevant industrial agreements.

## Section 2 - Scope / Application

(3) This procedure applies to all senior positions that are classified at:

- a. Above HEW Level 10;
- b. College Dean and above;
- c. Executive level.

## Section 3 - Definitions

(4) SSC - Senior Staff Contract

(5) HEW10+ - refers to positions classified higher than HEW Level 10 that fall into the Senior Leadership classification structure (see Section 6, Guidelines)

## Section 4 - Policy Statement

(6) See [Remuneration Policy](#).

## Section 5 - Procedures

## Part A - Roles and Responsibilities

| Role                                    | Responsibilities  |
|---|---|
| Supervisor / Manager of position        | <ul style="list-style-type: none"><li>- Prepare position description for evaluation/classification and submit to P&amp;C for assessment.</li><li>- This should be prior to any recruitment activity commencing.</li><li>- Provide supporting rationale if the recommended remuneration is above the midpoint of the nominated range.</li></ul>  |
| People & Culture, P&C Business Services | <ul style="list-style-type: none"><li>- Undertakes evaluation of position using MERCER CED classification system.</li><li>- Informs Supervisor / Manager of position classification level and remuneration range outcome.</li><li>- Provides assistance/guidance with remuneration ranges.</li><li>- Provides advice regarding the appropriate contractual arrangements to apply (ie SSC, EA Contract, Executive etc).</li><li>- Prepares Letter of Offer or contract variation</li></ul> |
| Vice Chancellor                         | <ul style="list-style-type: none"><li>- Approves remuneration recommendations outside the nominated range.</li></ul>  |

## Part B - Evaluation of position - MERCER CED

(7) The University uses the Mercer CED job evaluation system to classify and evaluate the level of senior roles within the bands of the classification framework. The evaluation method provides for the sound and systematic evaluation of positions based on job content, skill requirements, business/organisation environment, job challenges and position accountabilities. The structure has five levels (with five being the highest) comprising positions of comparable work value. Each level has a defined remuneration range.

(8) The classification structure is based on Total Employment Cost (TEC) which is the total of base salary, allowances, loadings, car benefit value (if applicable) and employer superannuation.

(9) The University has set the median remuneration point for each range for fully competent and experienced staff performing at optimum level. This allows sufficient flexibility to match the market and reward people for their performance. The following factors are assessed to determine the appropriate positioning within the range for each employee:

- Experience,
- Qualifications and competency,
- Market and performance considerations and
- Business criticality.

(10) The manager of the position will be provided with the remuneration range applicable for the graded position (minimum, mid-point, 75% point and maximum). Any recommendations above the 75% point of the range will need to be submitted to the Executive Director, P&C, including rationale supporting the case for increased remuneration. The Executive Director, P&C will submit a recommendation to the Vice-Chancellor for consideration and approval.

## Part C - Review of existing position

(11) An existing position may be reviewed and re-evaluated in circumstances where there is significant change to responsibilities, complexity or structure of position. In these circumstances, a revised position description is to be provided by the Supervisor / Manager for evaluation.

(12) A re-evaluation will not necessarily lead to a change in the classification of the position, or a change to remuneration.

## Part D - Remuneration components

(13) The remuneration components included in a senior leadership position may typically include:

- a. Base Salary
- b. Employer Superannuation
  - i. Default superannuation is determined by relevant industrial agreements, and is typically 17% employer contribution with UniSuper
- c. Loading/s (e.g. retention, market)
- d. Performance Bonus
  - i. Please refer to the Performance Bonus procedure
- e. University vehicle allowance (non-superable)
  - i. Eligibility for a vehicle allowance is in accordance with the University Fleet Vehicle Policy. This component will be a compulsory inclusion to the total remuneration package for eligible staff.
  - ii. A vehicle allowance is not considered in calculations for performance bonus payments or termination payments.

(14) Note: 'Tools of trade' items such as laptops and mobile phones are issued as required and not included in the calculation for TEC or the individual employment contract.

## Part E - Contractual arrangements

(15) The contractual arrangements for staff with positions evaluated within the Senior Leadership Classification Range will be one of the following:

(16) Standard EA letter of appointment

- a. Applies to professional and academic staff who do not meet the remuneration threshold as nominated in the VU Enterprise Agreement 2013.

(17) Senior Staff Contract (SSC)

- a. Applies to professional staff that exceed the remuneration threshold as nominated in the VU Enterprise Agreement by 10% or greater.
- b. For College Dean appointments, a set classification rate will apply, along with the provision of a Range 2 vehicle allowance and a 10% maximum performance bonus on base salary. A 'personal' allowance may also be paid where appropriate. The inclusion or exclusion of underlying ongoing academic positions will be at the discretion of the Provost.
- c. Consideration of appointments on Senior Staff Contracts may be available outside the above criteria. This will be assessed and approved on a case by case basis by the Director, P&C Business Services.

(18) Executive contract

- a. Applies to all 'executives' as specified in Clause 5.2.3 (a) in VU Enterprise Agreement 2013.

## Section 6 - Guidelines

(19) Senior Leadership Levels

| Senior Leadership Level (work value range) | Key Points  |
|--|---|
| 5 (1051-1360 points)                       | Reports directly to the Vice-Chancellor<br>Member of the University's Senior Management Team<br>Determines and implements University wide strategy and policy<br>Defines and drives major change agenda<br>Recognised leader in the tertiary education sector   |
| 4 (856-1050 points)                        | Usually reports to the Vice-Chancellor<br>Usually a member of the University's Senior Management Team<br>Provides expert advice and counsel<br>Actively contributes to the development of the University's Strategic Plan and accountable for faculty/function specific policies<br>Forward planning and strategic decision making is a key component, but not the only focus<br>Significant human and financial resource management accountability |
| 3 (706-855 points)                         | Typically reports to a DVC or PVC<br>Works within the framework of the Faculty/ Division and the broader University Strategic Plan<br>Actively involved in strategic and operational planning for the Portfolio/Faculty/Department<br>Likely to be a member of various University Committee/s<br>Accountable for the delivery of specific programs or projects<br>Likely to have human and financial resource management accountability             |
| 2 (571-705)                                | Provides advice that is strategic, affecting major programs and systems<br>Works to achieve Faculty/Department/ Divisional objectives and goals<br>Professional position providing leadership in an important area of advice and in the supervision of other professionals<br>May have human and financial resource management accountability   |
| 1 (460-570)                                | Recognised reference point in relation to policy, precedent, best practice and standards<br>Solves problems within established guidelines and professional knowledge<br>May have human and financial resource management accountability   |

## Section 7 - References

(20) This procedure is required to support the following:

- a. [Remuneration Policy](#)
- b. [University Fleet Vehicle Policy](#)
- c. [Victoria University Enterprise Agreement 2013](#)

(21) The following documents have been referenced in this procedure:

- a. [University Fleet Vehicle Policy](#)
- b. [Remuneration - Performance Bonus Procedure](#)
- c. [Remuneration - Senior and Executive Position Classification and Remuneration Procedure](#)

## Status and Details

|                            |   |
|----------------------------|---|
| <b>Status</b>              | Historic  |
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