

Remuneration and Benefits Procedure - Executive and Senior Management Classification

This procedure is being updated to reflect the new Enterprise Agreement and may currently contain out of date information. If you have any questions, please lodge an Ask HR ticket.

Section 1 - Background and Purpose

(1) Executive and senior level positions at the University are not covered by the classification conditions of the [Enterprise Agreement](#). Therefore the Executive and Senior Management Classification (ESMC) structure has been deployed to provide governance for role evaluation and remuneration determination for these positions. The ESMC structure is informed by Mercer, and provides four classification levels with remuneration ranges attached to each level. The University uses the Mercer CED job evaluation methodology to evaluate and classify individual positions within the ESMC ranges.

(2) This Procedure aims to ensure that ESMC level positions are appropriately classified and that remuneration and benefits 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 gender pay equity and internal relativities
- f. Appropriately transparent and clearly communicated

(3) This Procedure describes the process undertaken to classify and determine the level of remuneration for executive and senior level positions.

Section 2 - Scope

(4) This Procedure applies to all executive and senior positions that are:

- a. Professional & Administrative positions classified above HEO Level 10
- b. Designated Deputy Vice-Chancellor, Vice-President and Pro Vice-Chancellor roles

Section 3 - Policy Statement

(5) Refer to [Remuneration and Benefits Policy](#).

Section 4 - Procedures

Part A - Roles and Responsibilities

(6) Roles and Responsibilities Table:

Role	Responsibilities
Supervisor / Manager of position	Prepare position description for evaluation/classification and submit to People & Culture for evaluation. This should be prior to any recruitment activity commencing. Provide supporting rationale if the recommended remuneration is above the midpoint of the designated ESMC range.
People & Culture	Undertakes evaluation of the position using Mercer CED classification methodology. Informs Supervisor/manager of position the classification outcome and applicable remuneration range. Provides assistance and guidance with remuneration ranges, including the provision of market and benchmark remuneration data as required, along with advice on the impact on the gender pay gap position of the University. Provides direction regarding the appropriate contractual arrangements to apply (i.e. EA contract, Senior Staff, or Executive Contract). Prepares contract or contract variation offer.
Senior Executive Group (SEG) member reporting to the Vice-Chancellor	Approves the remuneration for senior management positions within their portfolio, that do not report directly to them.
Vice-Chancellor	Approves the remuneration of senior management positions that report directly to a SEG member. Approves the remuneration of executive positions.

Part B - Evaluation of Position and Determination of Remuneration

(7) The University uses the Mercer CED job evaluation system to evaluate and classify the level of senior roles within the bands of the ESMC 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 four levels (one to four, with four being the highest) comprising positions of comparable work value. Each level has a defined remuneration range.

(8) The remuneration ranges within the ESMC structure are based on Total Remuneration Package (TRP) which is the total of base salary, salary allowances/loadings and employer superannuation.

(9) The midpoint remuneration for each range is the expected remuneration 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
- Business criticality

(10) The manager of the position will be provided with the remuneration range applicable to the position (minimum, mid-point and maximum), along with appropriate market and sector remuneration benchmark data if required. Using this information, the manager determines the remuneration to be offered and gains the appropriate approval, in accordance with the delegations detailed in the above table. Approval must be gained prior to making an offer to the

candidate. This may require supporting rationale, particularly in the case of proposed remuneration offers above the ESMC range midpoint.

Part C - Review of an 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 to People & Culture 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 or executive contract will typically include:

- a. Base salary
- b. Salary loadings and allowances paid in accordance with the [Remuneration and Benefits Procedure - Salary Loadings](#)
- c. Employer superannuation
 - i. the default superannuation is employer contributions of 17% of base salary. If superannuation flexibility is requested (i.e. contribution level to be reduced to the Superannuation Guarantee Charge) this will be considered and approved or otherwise by the Chief People Officer or their delegate. Existing staff who are members of the UniSuper Defined Benefit Division (DBD) may not be eligible to leave the DBD and the University may be required to continue to contribute 17% employer contributions to UniSuper. Staff should seek their own advice from UniSuper.

(14) Components not included in employment contracts include:

- a. Performance Bonus – the University provide staff with opportunity for performance bonuses governed by the [Remuneration and Benefits Procedure - Performance Pay](#)
- b. “Tools of trade” items such as laptops and mobile phones issued to staff as required

Part E - Contractual Arrangements

(15) The contractual arrangements for staff with positions evaluated within the ESMC ranges will be one of the following:

- a. Standard [Enterprise Agreement](#) employment contract
 - i. Applies to staff whose remuneration does not meet the threshold level required to be on a SSC, as stipulated in the [Enterprise Agreement](#).
- b. Senior Staff Contract
 - i. Applies to staff whose remuneration exceeds the threshold level required to be on a SSC, as stipulated in the [Enterprise Agreement](#).
- c. Executive Contract
 - i. Applies to the Vice-Chancellor and the Vice-Chancellors direct reports, detailed as excluded employees in the [Enterprise Agreement](#).

Section 5 - Definitions

(16) For the purpose of this Procedure:

- a. Executive Contract: is an employment contract that is not governed by the terms and conditions of a Enterprise Agreement.
- b. Executive and Senior Management Classification (ESMC): is a structure of four classification levels deployed at the University, and informed by Mercer, that govern the classification and salary ranges of senior level positions.
- c. Senior Staff Contract (SSC): is a contract that is governed by the terms and conditions of the University's [La Trobe University Enterprise Agreement 2023](#), however certain Clauses in the [Agreement](#) including salary increase do not apply.
- d. Total Remuneration Package (TRP): is the total of base salary, any salary allowances/loadings and employer superannuation contribution.

Status and Details

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Responsible Manager - Policy	Regan Sterry Chief People Officer
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