

Reward News

NorthgateArinso Reward Solutions Newsletter

Issue 03 / 2008

New product development

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Equal Pay Legislation - how it affects
your organisation

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Our biggest competition yet!
Win a days worth of reward
consultancy worth £1250

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Nintendo Wii Competition Winner!

In the last issue of our newsletter we ran a 'guess the role' Job Evaluation competition and the winner of the Wii was Debbie Stevens at Sheffield Hallam University.

The photo below shows Debbie being presented with her Wii by Mike Dooks - Public Sector Business Development Manager.



See page 8 for this issue's competition.

Welcome to this issue of reward news...

Since the last issue we have been working hard developing and bringing new products to market which include the exciting launch of our new web based market pricing module details of which can be found opposite. We have also been working with various new clients from the public and commercial sector helping them with their reward issues some of our most recent contract wins can be found on page 6.

Our customer service team have been improving the support portal which means it's easier to find the information you require and to log and track any service requests that you have made.

We have a new starter, James Crossland who joins us as a Business Development Manager. James has a wealth of Flexible Benefits knowledge and expertise and his appointment will help us deal with the growing level of interest we have been experiencing in this area.

The aim of this newsletter is to keep you up to date with what we've been up to and what is happening in the market. If there is anything specific that you'd like to read about or if you simply want to comment on a story that we have featured please email us at rewardinfo@northgatearinso.com

Product News and Developments

New Web-based Marketing Pricing Tool

Work is nearly complete on our new web-based market pricing module. This module can sit alongside the Evaluate Job Evaluation tools and provides a view on the external market that Job Evaluation alone cannot provide. With support for an unlimited number of market pay surveys, from any number of vendors, the system allows you to take a more balanced view of the market than relying on the data of a single data supplier. Directly integrated into the same suite as the JE module, reports can be run across both sets of data at the same time, with JE scores and Market Data included in the same tables.

Extra Features to Equal Pay Reviewer

We are starting to look at an update to the Equal Pay Reviewer application, in-line with recommendations to be published later in the autumn by the new Equalities and Human Rights Commission. Additionally, we will be addressing a number of feature requests we have received to ensure that the system stays the leading Equal Pay Analysis tool in the market today.

We are also beginning an exciting new project that will dramatically change how Job Evaluation schemes are created and used in today's fast-moving organisations. More on this soon!

As ever, we always welcome feedback on any part of our product line-up. Please send your comments to: rewardinfo@northgatearinso.com

Training

The table below details the courses currently offered by NorthgateArinso Reward Solutions. Please contact us for further details or to book a place on any of these courses.

Course Type	Name of Course	Length of Course
Equal Pay Reviewer	Reviewer Refresher Course	1 Day
	Standard Training Programme for V2	2 Days
	Carrying out an Equal Pay Audit	1 Day
Job Evaluation	Evaluate Standard System Training Course (all schemes)	2 Days
	CAJE NHS Site Administrator	1 Day
	CAJE NHS Site Monitor	1 Day
	GLPC Steering Group Course	1 Day
	GLPC Validation Moderation Panel Course	1 Day
Pay Modeller	Overview Course	1 Day
	Stage 2 Introductory System Training	2 Days
Market Pricer	Market Pricer Course	1 Day

28th to 30th October Upcoming Events

World at Work

The aim of this event in Brussels is for delegates to learn the best ways to attract, motivate and retain staff. NorthgateArinso Reward Solutions are one of the sponsors at this event. For further details please go to: www.totalrewardseurope.org



Past Events

10th September Reward Seminar

This hugely successful event was held in a hotel near Stirling. The seminar provided all delegates with a chance to network, ask questions and find out more on the current and future issues in Reward. Look out for the announcement of similar events soon in England.

Some feedback from the delegates at the Seminar:

"Really enjoyed the seminar, got a lot out of it – most rewarding"

Forth Valley College

"The networking opportunity was fabulous"

Scottish Agricultural College

30th September and 1st October Employee Benefits Live

The annual Employee Benefits exhibition was held at the Business Design Centre in London. NorthgateArinso Reward Solutions exhibited at the event which was extremely successful and enabled numerous HR professionals from many different organisations to find out more about Flexible Benefits.



Equal Pay - how recent events and legislation affect your organisation

Public Sector Organisations

The Court of Appeal landmark rulings

On the 29th July 2008, the Court of Appeal made breakthrough case judgements that will affect many local councils and health authorities in the UK.

The cases involved two separate groups of female workers employed by different councils in the North East of England. Although the particulars of the court cases are complex, the main area of concern relates to the judgement on pay protection.

The Court ruled that, in these cases, the specific arrangements put in place to protect earnings actually discriminated against women and therefore reinforced gender inequality. Protecting pay as a result of implementing schemes of job evaluation is not discriminatory, but in these cases the specifics of how the arrangements were implemented were deemed to be discriminatory.

So what does this mean for your organisation?

This ruling may have an impact on organisations that have adopted, or were thinking of adopting, arrangements for pay protection in response to the Equal Pay agenda. Although pay protection can be a lawful resolution to gender pay gaps, specific steps must be taken to avoid enshrining gender discrimination into the arrangement.

Many public sector organisations already face a mountain of litigation relating to equal pay claims based on old pay structures and this judgement places huge pressure on organisations where pay protection is a fundamental component of their solution to eradicate pay gaps.

A report from Acas revealed that the number of equal pay claims doubled from 27,497 in 2006/07 to 58,513 in 2007/08 and the Court of Appeal ruling is expected to increase the number of new equal pay claims lodged.

What action does your organisation need to take?

Potential options in response to the rulings include:

1. Take no action, let the employees 'have their day in court' and then contest the actions
2. Agree a round of compromise agreements to settle the cases
3. For those who have yet to implement revised pay structures revise the proposals relating to pay protection or the fundamentals of the pay structure
4. Complete an equal pay audit to review your situation and incorporate a review of any arrangements for pay protection.

For further information or a demonstration of how we can help your public sector organisation with Equal Pay issues please contact us on 01244 572700 or email us at rewardinfo@northgatearinfo.com

Private Sector Organisations

The proposed Equalities Bill

Equal Pay has been an issue in the public sector for several years and is now starting to cause concern for private sector organisations who wish to ensure that their pay systems are equitable and fair. Research by the CIPD shows that 52% of private sector organisations have not yet conducted an equal pay audit and as such, put themselves in a position of vulnerability to costly Equal Pay claims and a damaged reputation.

Steps are now being taken by the government to reduce discrimination in the workplace. On the 26th June 2008 Harriet Harman announced the proposal of the Equalities Bill, which will replace all of the individual discrimination laws with one single piece of legislation.

A major section of the Equalities Bill will focus on improving the transparency of pay in both public and private sector organisations. The proposal states that all public sector organisations will need to publish their gender pay gaps. Ministers are also considering using the purchasing power of the public sector to make private sector firms examine their equality pay gaps more closely. 30% of private sector firms have contracts with the public sector (worth £160 billion) and the Bill may declare that these contracts will be at risk if the commercial firms are not clear and transparent about their pay policies.

So what does this mean for your organisation?

Have you considered how transparent your decisions on pay are to your employees? Many organisations focus pay at the individual or occupational level concentrating on particular employees who need to be paid specific levels in order to maximise business performance. This can be achieved by looking at the 'going rate' via external market assessment or application of performance criteria. It is still relatively rare for a private sector organisation to confirm employee value by reference to 'job size'.

Transparency is a vague term but the skeletal framework around which pay decisions are formulated should be built on firm foundations. This can often include clarification over relative internal 'job size' initiatives or a base salary structure incorporating grades or levels. Such firm foundations will provide a sound basis for pay decisions whilst offering a transparent framework to support decisions taken.

What action does your organisation need to take?

In anticipation of the legislation, the forward thinking organisation will consider an Equal Pay Audit now to identify any potential weakness inherent in their reward strategy. This will provide a clear indication of the transparency (or otherwise) of your pay policy and reward environment. The public sector has learned a costly lesson in ignoring the power and reach of the Equal Pay Act; the private sector would be well advised to prepare for the Equalities Bill today.

For further information or a demonstration of how we can help your commercial organisation with Equal Pay issues please contact us on 01244 572700 or email us at rewardinfo@northgatearinfo.com



Warrington Borough Council - Pay Modeller & Equal Pay Reviewer



Warrington Borough Council employs 8,500 people and supplies public services to a population of approximately 195,000. As with other local authorities in the UK, Warrington BC were faced with the challenge of reviewing their pay and grading structure to arrive at an updated structure that would comply with the requirements of Single Status agreement.

Warrington BC purchased both the Pay Modeller and Equal Pay Reviewer software applications from NorthgateArinso Reward Solutions at the outset of their Job Evaluation Project.

Steve Bennett, Pay Modelling Project Manager at the council continues:

"Although the purchase of the software is not something I would normally have done so early into a project, in hindsight it has proved to be beneficial. Whilst we were not ready to fully utilise the software in the early stages, as we did not have the necessary data downloads, we were able to establish with our IT teams exactly what data would be needed. Consequently, we were able to test a range of data sets to ensure a smooth transfer of information in the future."

Even though we had key people trained in the use and application of the software, I decided that it would assist us greatly to have an ongoing consultancy service from NorthgateArinso Reward Solutions. This has proved to be a vitally important decision as the advice and guidance provided by them has been invaluable in saving time. It has also helped us to focus on key areas relating to the development of our pay and grading structure. Overall, this has been a very cost effective decision as we have been able to move quickly to a position of testing a wide range of grading structures and we were able to easily identify the best fit for the organisation."

The consultancy service we have received has been of the highest standard and this has enabled us to build effective working relationships with NorthgateArinso. When we started working with NorthgateArinso Reward Solutions they were known as Link HR and the takeover that took place during the relationship had no impact on the service we have received."

One final point that reinforces the decision to engage NorthgateArinso Reward Solutions is the comments from our internal audit team when the pay modelling process underwent an audit review. The following quotes are taken from the final audit report.

"The NorthgateArinso system can provide a full audit trail of changes made. These can be identified at an appropriate level of detail (i.e. what field has been changed, new value entered)."



'As stated above, our sample testing indicated that basic pay costs appear to have been accurately recorded on NorthgateArinso, as per the import files.'

All data is easily downloaded into the Equal Pay Reviewer, enabling us to undertake a meaningful equality impact assessment before presenting our final package to the Council and the trade unions. We are therefore fully satisfied that we will be implementing an equal pay proofed pay and grading structure."



New Wins

Large Pay and Grading Project at



Councils that have upgraded to Evaluate



Other new wins include



The Future of Reward

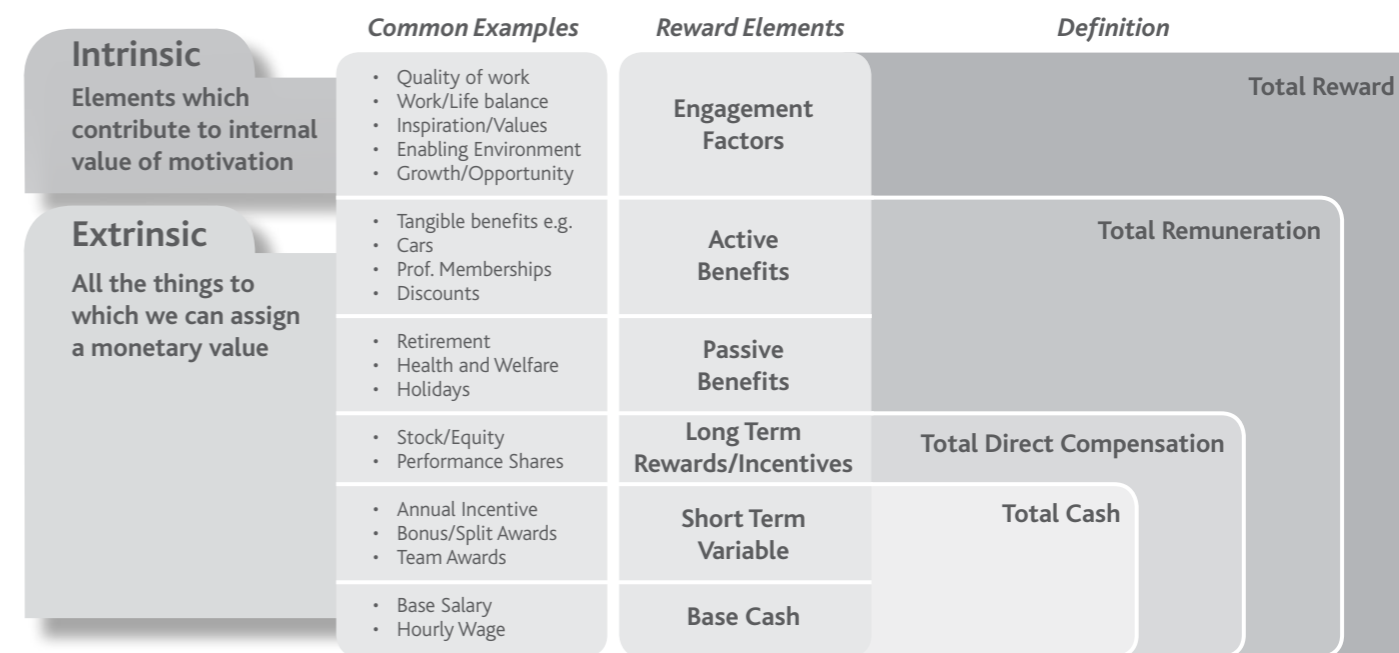
Dan Wilson, Director of Consultancy at NorthgateArinso Reward Solutions gives his view on the market trend in Reward.

For the past few years Total Reward has been a popular area with Reward specialists although the benefits have not always been obvious and it has not necessarily been adopted by employers. We are now seeing a trend in the market towards the implementation of Total Reward. Organisations are using Total Reward as a means of attracting, retaining and motivating staff. This is evident in the public sector as Single Status activities conclude and employers realise that a new pay structure is only the foundation for a sound reward strategy.

So, what is Total Reward?

Total Reward is the consideration of the whole reward package and not just basic pay. All benefits can be included and for the purpose of showing employees the 'value' of this, elements such as holiday entitlement are often converted into cash amounts and can be shown on a total reward statement. Looking at the reward package in this way is also a starting point for flexible benefits within the organisation and bringing about a change in the culture to accommodate the people in today's job market who are more likely to move around, seek alternatives to cash and place greater value on the type of organisation in which they work.

If you would like to know more about how we can help you implement a Total Reward strategy then please call us on 01244 572700 or email rewardinfo@northgatearinso.com



NorthgateArinso voted Major Outsourcer of the Year 2008



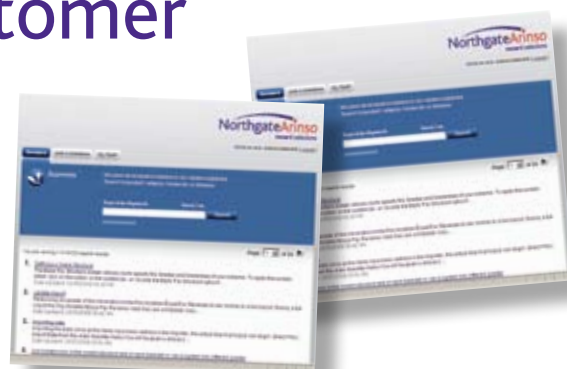
NorthgateArinso has been named Major Outsourcer of the Year for the second year running by the IPP at their annual awards.

Comments from the IPP on NorthgateArinso's success over the last year included;

"The hard work and achievements of individuals and teams at NorthgateArinso has made a significant difference, adding value to customers, staff, shareholders, industry and communities."



Improvements to the Customer Support Portal



Over the last year NorthgateArinso Reward Solutions has completed a series of projects aimed at significantly improving the level of support we can offer to customers.

We have recently carried out an extensive update of the Customer Support Portal, which is available to all Evaluate, Pay Modeller, Market Pricer and Equal Pay Reviewer customers. You can access the system by typing <http://rewardsupport.northgatearinso.com> into your web browser.

The Support Portal can be used by customers as the first point of contact. It contains a knowledge base which consists of a wealth of information including user manuals and FAQ's from previous support queries. The portal is continually monitored and updated based on the issues that customers are currently facing.

The Support Portal also contains a section named 'My Stuff', which gives the user the ability to electronically file and track service requests, re-visit previous requests, read notifications and make changes to their profile. This service is accessible 24 hours a day, 7 days a week and can be beneficial when working outside of normal office hours.

When communication is made to the support team through the Customer Portal, the software picks up on key words in your query and then searches the knowledge base for possible answers to the question. It will then automatically send you an email with links

to articles for possible answers. This is not intended to replace the interaction with a support engineer, but aims to speed up the process of answering your query, the support engineers will still treat the query as unresolved and be in touch in a timely manner.

All customer contact is logged on our helpdesk software and can be tracked via the Support Portal. Our aim is to provide an integrated, seamless experience whether online, through email or over the telephone. Our support engineers provide clear and complete answers with the objective of reducing follow-up questions.

We understand that some queries may be difficult to explain in writing and would be a lot easier and more efficient to discuss over the phone. Therefore, our trained support engineers are available to take your calls on 0844 800 2771 from 8:30am to 5:30pm Monday - Friday. Additionally, queries can still be logged by emailing rewardsupport@northgatearinso.com


To get your user name and password please contact support on 0844 800 2771.



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 The paper used for this brochure contains 100% recycled fibre from post consumer waste.

Competition

Win a free day of reward consultancy worth £1250

Simply send in your answer to the question below to rewardinfo@northgatearinso.com with competition in the subject line.

According to Acas, what was the total number of Equal Pay Claims in the UK during 2007-2008?