

# Senior Management, Executive and Senior Executive Employment Conditions Policy

## Section 1 - Background Information

(1) This Policy has been developed to assist the University attract and retain high performing staff with remuneration arrangements that are market competitive for the higher education sector, contemporary and flexible.

## Section 2 - Policy Statement

(2) This Policy is based on a transparent, market aligned and a competitive, structured yet flexible approach to Senior Management, Executive and Senior Executive remuneration, terms of contract and the review and approval of position titles.

## Section 3 - Scope

(3) This Policy is applicable to all Senior Management, Executive and Senior Executive University staff.

## Section 4 - Application of Policy

### Eligibility

(4) This Policy applies to staff employed by the University under either an Executive Employment Agreement or a Senior Management Employment Agreement.

### Terms of Contract

(5) The initial contract term for Senior Management, Executives and Senior Executives is normally of a five (5) year duration. Subsequent contract renewals are for a period of up to three (3) years duration. The contract renewal process commences 12 months prior to the end of the staff member's current contract and is managed by the staff member's nominated supervisor, with support provided by People and Capability.

### Base Salary

(6) Base salary and total remuneration of staff will be reviewed annually in October. A report will be prepared by the Chief People Officer, in discussion with the Deputy Vice-Chancellor (Corporate) and presented to the Vice-Chancellor and President for approval. The quantum of the annual adjustment to the base salary will be determined centrally and approved by the Vice-Chancellor and President, in consultation with the Chancellor and reported to the Finance and Resources Committee.

(7) The quantum of the annual adjustment is informed by data that may include, but is not limited to the:

- a. most recent and immediately forthcoming enterprise bargaining increases for other ACU staff;

- b. annual Mercer Remuneration Forecasts, which reports remuneration forecasts across the education and research industry; and across the general market (i.e. across all industries nationally);
- c. annual Mercer Universities Remuneration Review which reports on 'same incumbent' remuneration movements for the previous 12 months, providing an indication of actual remuneration increases received;
- d. most recent annual Wage Price Index (WPI); and
- e. Vice-Chancellor and President's percentage salary increase as determined by the Senate.

(8) As a result of the annual review, the University may identify position(s) that have significantly shifted in the market, or include gender pay equity considerations, that a salary increase beyond the quantum is required. The University assesses market remuneration shifts of positions between the median (50th percentile) and the 75th percentile of the annual Mercer Universities Remuneration Review. In these cases the University will consider:

- a. permanent base salary increase; or
- b. temporary market allowance adjustment to be reviewed at a future specified time, normally 12 months.

(9) Any adjustments to base salary or additional quantum increase adjustment will normally be effective the first full pay period on or after 1 November.

(10) Where a position description is reviewed and updated the job will be evaluated and remuneration benchmarked to the relevant job code in the Mercer Universities Remuneration Review and considered using the factors and approval process outlined in clauses (6) to (12).

## **Base Salary of New Appointments**

(11) The base salary offered to new appointments will be determined and negotiated considering a range of interacting factors, including but not limited to:

- a. Internal relativities with respect to similar or same roles and/or job families;
- b. Gender Pay Equity
- c. Job evaluation;
- d. External relativities and market salary data;
- e. Current remuneration of preferred candidate;
- f. Additional benefits, monetary and non-monetary; and
- g. Other salary components of the remuneration package.

(12) Guidance on base salary for new appointments is provided in Section 9. Base salary considerations are made plus or minus 15% of the median (50th percentile) market rate of the annual Mercer Universities Remuneration Review.

## **Base Salary of Renewed Appointments**

(13) Base salary adjustments do not occur during the contract renewal process. Adjustments to all base salaries, outside of a reviewed and updated position description, occur annually in October and are considered using the factors and approval process outlined in clauses (6) to (12).

(14) Consideration of an increase at the time of renewal can occur only in circumstance of consistent outstanding contributions working beyond the position description and identified as appointable to the next management level (that is, would be provided opportunity to act fully as a successor).

## **Position Titles**

(15) To manage the use of Senior Management, Executive and Senior Executive position titles

across the University's organisational structure position titles will be determined and negotiated considering a range of factors including but not limited to:

- a. Internal University consistency;
- b. Scope, responsibilities and nature of work consistent with proposed title;
- c. Market attraction;
- d. Aligned and benchmarked to the external market.

(16) The above factors will be used in the consideration of position titles, arising from change management, new or changed positions that are evaluated, contract renewal or direct appointment.

(17) Changes to position titles are recommended by the relevant Senior Executive, in consultation with the Chief People Officer, to the Vice-Chancellor's Advisory Committee (VCAC) for the approval of the Vice-Chancellor and President.

## Section 5 - Roles and Responsibilities

### Approvals

(18) Nothing within this Policy negates the flexibility to respond quickly to high risk organisational need in terms of salary reviews to retain high performing staff in job critical roles.

(19) The Vice-Chancellor and President has final approval of the remuneration packages for staff outside the normal application of this Policy, following consultation with the Deputy Vice-Chancellor (Corporate).

### Confidentiality

(20) The confidentiality of employment agreements and associated remuneration is treated seriously by the University. Discussions of remuneration will normally only occur between the staff member, their nominated supervisor and People and Capability.

(21) It is recognised that salary information is required for financial and budgetary requirements, and staff who, as a normal part of their duties, need to have access to such information, must treat such information with confidentiality and consistent with the [Employee Records Privacy Policy](#).

## Section 6 - Revisions made to this Policy

(22) The revision table includes revisions up until this document was migrated into the current Policy platform. Any later changes will show in the Status and Details tab.

Date	Major, Minor or Editorial	Description
30 March 2017	Major	Revised to reflect the University's updated Management Levels.
31 Jan 2019	Editorial	Removal of references to Senior Management staff relating to at-risk bonus payments. Update reference of "ACU Strategic Plan" title to "ACU Strategic Plan 2015 - 2020" as per ACU Staff Enterprise Agreement 2017-2021. New ACU branding and Policy template. HR contact details now include Service Central.
1 July 2019	Major	Revised to reflect the application of capped employer superannuation contributions to the payment of the superannuation guarantee charge on the "At-Risk (Bonus) Payment".

Date	Major, Minor or Editorial	Description
3 Sept 2021	Major	At-Risk (Bonus) payment removed from Policy.
11 Oct 2021	Minor	<ul style="list-style-type: none"> <li>- Change of Policy name from Senior Management, Executive and Senior Executive Remuneration and Position Title Policy to Senior Management, Executive and Senior Executive Employment Conditions Policy.</li> <li>- Inclusion of terms of contract at item 4.2.</li> </ul>

(23) The University may make changes to this Policy from time to time to improve the effectiveness of its operation. In this regard, any staff member who wishes to make any comments about this Policy may forward their suggestions to the Chief People Officer.

(24) Unless otherwise indicated, this Policy will still apply beyond the review date.

## Section 7 - Further Assistance

(25) Any staff member who requires assistance in understanding this Policy should first consult their nominated supervisor who is responsible for the implementation and operation of these arrangements in their work area. Should further information or advice be required, staff should visit [Service Central](#).

## Section 8 - Associated Information

(26) For related legislation, policies, procedures and guidelines and any supporting resources please refer to the Associated Information tab.

## Section 9 - Remuneration Range: New appointments to Senior Management, Executive and Senior Executive positions

	Career Context	Capability and Competency	Remuneration Market Considerations	Business Criticality
Maximum (+15%)	The external candidate is considered to be at the height of their career	Highly capable; possesses outstanding leadership skills; demonstrates advanced knowledge in their field / profession / discipline	Highly specialised skills, scarce and critical to the organisation; high paying market	Role or person is critical to achievement of business outcomes; will have major influence in business critical areas
	Appointment is to an external candidate who has a strong track record in a similar role, they are experienced at successfully operating at the required level	Competent in all respects; has known credibility and standing with their field / profession / discipline or within the higher education sector.		Will participate in development of business critical initiatives, and be a significant point of contact on particular business critical issues

	<b>Career Context</b>	<b>Capability and Competency</b>	<b>Remuneration Market Considerations</b>	<b>Business Criticality</b>
Target Market Rate (50th percentile)	Appointment is a promotion for an external candidate; the attractiveness of the offer includes the promotion and career opportunity Appointment is a promotion from within the organisation: the internal candidate is proven operating at the new level for example fully acting as the successor	Required competencies and capabilities possessed and demonstrated; fully qualified and experienced	Need to make a pay offer sufficiently attractive to recruit required skills from the external market	Experienced in business critical issues and will have some influence in business critical areas
	Appointment is a promotion from within the organisation; the internal candidate is unproven operating at the new level; however, they can demonstrate the potential to be quickly successful in the role	Key competencies developed and demonstrated; some leadership competencies still developing		Will have some experience in certain business critical issues; expect increasing contribution and responsibility in business critical areas over time
Minimum (-15%)	The appointment is considered a stretch for the internal candidate; there is scope to review pay again in 12 months as they step up into the role	Meets qualification requirements only; has shown a capacity to lead	Able to compete satisfactorily in the marketplace	Considered an important role / person but not considered critical to organisational success

## Status and Details

<b>Status</b>	Current
<b>Effective Date</b>	16th February 2024
<b>Review Date</b>	11th October 2026
<b>Approval Authority</b>	Vice-Chancellor and President
<b>Approval Date</b>	16th February 2024
<b>Expiry Date</b>	Not Applicable
<b>Responsible Executive</b>	Angelle Laurence Chief People Officer
<b>Responsible Manager</b>	Angelle Laurence Chief People Officer
<b>Enquiries Contact</b>	Bernardine Lynch ER and Safety Committees and Policy Officer <hr/> People and Capability