

Remuneration 2011

Remuneration specialists, Strategic Pay have recently presented the findings from their March 2011 salary survey to employers throughout New Zealand and the information below provides a snapshot of salary movements in the last year and predictions for the 2011/2012 year. The survey includes feedback from 95,000 employees from 465 organisations.

Movements from March 2010 to 2011

The table below shows feedback from participants in the March 2010 and March 2011 surveys on salary movements in that 12 month period.

Staff Group	Base Salary (%)	Fixed Rem (%)	Total Rem (%)
General Staff	2.6	2.4	2.7
Middle Management / Specialist / Technical	2.9	3.0	3.0
Senior Management / CEO small organisation	3.8	4.0	3.6
CEO medium organisation / GM large organisation	6.0	4.2	4.5

Salary Projections 2011/2012

The average rise in payroll anticipated by 173 respondents was 3.0%. The range of forecasts was between 0% and 10.0%.

Effective Remuneration Strategy

Employers were encouraged by Strategic Pay not to forget the lessons learned during the recession and to keep an ongoing focus on managing the costs of remuneration. An effective remuneration strategy should include the following steps:

1. Consider how much your organisation can afford.
2. Determine the market rate for each role.
3. Assess the contribution made by each staff member.
4. Allocate increases based on performance and market rates.
5. Communicate effectively with staff about pay rises.