



Institute of Advanced Research *The University for Innovation*

Performance Linked Remuneration Policy

Introduction

The performance based pay for research, teaching and non-teaching staff policy is to ensure that the University supports a high performance and high reward culture and that all staff are fairly remunerated.

Purpose

The policy provides a structure for the Remuneration Committee for determining salaries on appointment and during the annual review for research, teaching and non-teaching staff. It outlines the principles that will apply to all salary decisions and gives information on the operation of the mandatory and discretionary elements of employees' pay.

In addition to the specific considerations outlined in the policy, the Remuneration Committee will take into account how the application of pay decisions will meet the University's needs. In particular the Remuneration Committee will consider whether:

- a) Staff recruitment, turnover, productivity, vacancies etc indicate that the Pay Policy is effective
- b) Pay and staffing arrangements ensure the right balance of staff to deliver the teaching, research and enterprise portfolio, University performance indicators and other objectives.
- c) The University has challenges in recruiting and retaining staff generally or to specific posts.
- d) Funds are available in the University budget to pay current salaries, potential pay advancements and other capital and operating expenditure required to deliver high quality learning for the students and to achieve research and enterprise excellence.

This policy should be read in conjunction with the University policies;

- Performance Based Remuneration Policy
- Appraisal Policy
- Discretionary Bonus Policy

Responsibilities of the Remuneration Committee

The Remunerations Committee is responsible for maintaining fair, consistent and objective procedures for matters relating to pay.

The Remunerations Committee shall be responsible for the establishment and review of the Pay Policy for approval by the President.

Staff Recruitment

This policy shall be applied in accordance with the University's staffing structure as approved by the President, which identifies the number of teaching, research and professional services posts. The allocation of salaries, incentives and allowances, as determined by the President and the from time to time.

Salary Reviews

The Remuneration Committee shall review the salaries of all staff working in the University as at 1st July of each year based on their performance reviews conducted by respective Heads of Department and will make recommendations to the President on salary and other payments.

Each member of staff will be given a formal written statement before 31st July of each year setting out their salary effective from 1st August of that year.

The salary assessments for research, teaching and non-teaching staff shall be carried out in accordance with the criteria set out in this policy

Reviews may take place at other times of the year to reflect any changes in circumstances or job description that lead to a change in the basis of evaluating an individual's pay.

Appointment process and Salary at the Time of Appointment

When appointing staff within a department, the respective Head of Department must complete an Authority to Recruit form. This will detail the need for the role, recommended salary following discussions with the HR Lead. This form will be submitted to the Head of Administration. The President will consider all such requests and makes decisions taking into account the strategic and operational priorities of the University.

Salaries of Key Administrators

Pay for members of the key administrators, including Provost, Registrar and Finance Manager is determined by the President taking into account the level of responsibility, market comparisons, retention issues and additional value the individual brings to enhance the University. The remuneration of Provost and Registrar will be approved by the Board of Governors.

Research, Teaching and Non-Teaching Staff

The Remuneration Committee will determine the research, teaching and non-teaching staff pay on an annual basis taking into account market comparison, special subject needs etc. and will recommend to the President for approval.

Pay Progression is linked to performance and is outlined in the performance based remuneration policy, with performance targets being set and their performance being assessed by the corresponding Head of Department against the targets and submits his/her comments to the Remuneration Committee for review and validation. The Remuneration Committee will submit their recommendations to the President for consideration and approval. It should be noted that there is no automatic right to increase in salary.

Discretionary Allowances and Payments

Performance Bonus

The University at its discretion may award one off performance bonuses to any employee to recognise exceptional performance and achievement that enhance the University's performance. The Remuneration Committee shall consider nominations from the Heads of Department and make recommendations to the President. Further details are outlined in the Discretionary Bonus policy.

Policy review

This policy shall be subject to annual review.

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IAR APPRAISAL POLICY

Policy for appraising staff performance and dealing with underperformance and non-performance

Purpose

This policy sets out the framework for a clear and consistent assessment of the overall performance of all staff and for supporting their development within the context of the University's plan for excellence in research, educational provision, student achievement and performance of staff, and the standards expected. It also sets out the arrangements that will apply when staff fall below the levels of performance that is expected of them.

Application of the policy

The policy has two sections.

Section one of the policy, which covers appraisal, applies to all staff employed by the University.

Section two of the policy, which sets out the formal procedure for dealing with non-performance, applies only to staff whose performance does not meet the required level.

Section 1. Appraisal

Appraisals will be a supportive and challenging. These are designed to ensure that all staff are clear about what is expected of them and that they have the skills and support they need to ensure that they deliver on their job responsibilities effectively and professionally. It will also help to ensure that all staff continue to improve their performance.

The appraisal period

The appraisal period will run for twelve months from 1st July to 30th June the following year.

Staff who are employed on a fixed term contracts of less than one year will have their performance managed in accordance with the principles underpinning this policy, but

against specific objectives for which they are appointed.

The cycle of appraisal will be:

- Planning and objective setting (July)
- Interim meeting (January)
- Review meeting (June)

Appraisals of all staff whether teaching, research or non- teaching will be undertaken by the corresponding Head of Department or nominee.

Appraisals of key administrators will be conducted by the President or nominee.

Setting objectives

Four to five objectives for each staff member will be set before the start of each appraisal period. They will be SMART (Specific, Measurable, Action-oriented, Relevant, Time bound) and will be appropriate to the staff member's role responsibilities and will support the University's mission and objectives. The appraiser and staff member will seek to agree the objectives but, if that is not possible, the appraiser will determine the objectives. Objectives may be revised if circumstances and University priorities change.

The objectives set for each staff member will, if achieved, contribute to the University's plans for excelling in teaching, student support, research & enterprise and the growth of the University with a primary focus of student success.

Reviewing performance

Staff performance will be reviewed against the objectives according to the appraisal cycle. For faculty, this will include research & enterprise performance including research income and outputs, teaching and assessment, learning support and feedback to students, achievement and progress by students, compliance with University policies and procedures, contribution to University-wide activities. For professional services staff, the quality and timely delivery of work assigned, student support and commitment to the well-being of students, team work and other relevant indicators in delivering their objectives.

Staff Development and support

Appraisal is a supportive as well as performance management process which will be used to inform continuing professional development and performance. The University is committed to develop a culture in which all staff take responsibility for improving student achievement and their development as professionals through appropriate professional development. Professional development will be linked to the University's priorities.

Staff will receive constructive feedback on their performance throughout the year and

as soon as practicable after each interim review meeting or other evidence has come to light. Feedback will highlight particular areas of strength as well as any areas that need improvement. Where there are concerns about any aspects of the performance the appraiser will meet the staff member formally to:

- give clear feedback to the staff member about the nature and seriousness of the concerns;
- give the staff member the opportunity to comment and discuss the concerns;
- agree any support (e.g. training, coaching or mentoring), that will be provided to help address those specific concerns;
- explain the implications and process if no or insufficient progress is made.

When progress is reviewed, if the appraiser is satisfied that the staff member has made, or is making, sufficient improvement, the appraisal process will continue as normal, with any remaining issues continuing to be addressed through that process.

Gathering the evidence

As part of the appraisal process, it will be critically important for all members of staff who are subject to the University's staff appraisal policy to be clear about the evidence that will be required by their appraiser to enable the appraiser to assess their performance and make a substantiated evidence-based pay recommendations.

The evidence gathered by a member of staff will be determined by the nature and scope of the objectives.

Transition to non-performance

If the appraiser is not satisfied with progress, the staff member will be notified in writing that the appraisal system will no longer apply and that their performance will be managed under performance management procedure, and will be invited to a formal meeting. The performance management procedures will be conducted as in part B of this policy.

Annual assessment

Each employee's performance will be formally assessed in respect of each appraisal period.

This assessment is the end point to the annual appraisal process, but performance will be monitored and any issues addressed on a regular basis throughout the year in interim meetings which will take place.

The staff member will receive as soon as practicable following the end of each appraisal period a written appraisal report, a copy of which is maintained in the staff member's file.. Each staff member will receive their written appraisal reports by 31st August each year.

The appraisal report will include:

- an assessment of the performance of their role and responsibilities against their objectives; and
- an assessment of the staff member's professional development needs and identification of any action that should be taken to address them;

Assessment of performance and professional development needs will inform the planning process for the following appraisal period.

Section 2 – Procedure to deal with underperformance or non- performance

General Principles Underlying This policy

Confidentiality

The appraisal and processes related to non-performance will be treated with confidentiality. However, the desire for confidentiality does not override the objective of promoting high performance culture at the University.

The appraisal review is confidential; the setting of objectives is subject to quality assurance across the University.

Definitions

Unless indicated otherwise, all references to staff apply to all employees of the University.

Monitoring and Evaluation

The University will monitor the operation and effectiveness of the appraisal arrangements from time to time,

Retention of Records

The University will ensure that all appraisal records are retained in a secure place for one year and then destroyed.

PERFORMANCE BASED PROMOTION AND REMUNERATION POLICY

Introduction

Performance Based Promotion and Remuneration will provide the opportunity to either:

award an increase to those who achieve and overall 'Fully Achieved' or 'Exceed'

required performance against their objectives.

- award additional payments to employees who achieve an overall 'Exceed' rating against their objectives.
- withhold an increment for employees that are awarded a 'Not Met' or 'Partly Met' rating.

Staff who do not meet their objectives may be subject to underperformance or non-performance process.

Scope

This policy applies to all University employees who have successfully met the requirements of their probation period.

How the Performance Related Increment operates?

Employees will be awarded any increase in salary based on the overall recommendation by the Remuneration Committee from the review and comments from the appraiser.

The University's Performance Appraisal Cycle runs through the academic year. For employees on this cycle an overall recommendation on any pay increase will be agreed by 30 September each year. The recommendations on performance related promotion or salary increases for each staff member should be submitted to the President by the first week of October each year.

Overall Performance Assessment

Objectives

The employee Performance Appraisal requires managers and employees to agree objectives if at all possible for each year. The overall rating is based on an assessment of the performance against individual objectives at the annual appraisal. In exceptional cases, it may not be practicable for a manager to set objectives in September (e.g. staff sickness), in which case objectives should be set as soon as practicable. There will need to be sufficient evidence supported by data at the end of the cycle in order to make an appropriate judgement with regard to the rating.

Withholding Increments

Salary increases may not be awarded to staff who have not met all their performance objectives. Where this occurs, the manager will need to identify with the employee what support is required in order for the employee to improve their performance. This may require further training and support which should be included in an employee's personal development plan and associated objectives.

Underperformance and Non-performance

Staff who have not achieved their performance objectives and have not demonstrated that they would benefit from additional training or support, underperformance and non-performance procedure applies. This may result in such employees being reassigned to a lower level job in which they may be able to perform to the level required or in cases where there is no such option is available, the staff member's employment at the University may be terminated.

The Performance Based remuneration Process

Setting Objectives

By the end of July, Heads of Department or their nominees should agree a set of objectives for each employee, with clear indication as to how each will be assessed through measurable outputs at the end of the annual cycle.

Mid-Year Review in January

Mid-year reviews will be undertaken for all employees. The purpose of the mid-year review is to assess how the employee is performing against each objective; to identify whether any short falls are occurring and what support and guidance is required to assist the delivery and achievement of objectives set at the beginning of the performance year. Where the employee fails significantly short of the progress expected, the employee may be subject to non-performance procedure.

End of Year Review in July

At the end of the annual cycle, Heads of Department will review with the employee each objective to assess what has been done to achieve the objective and how it was achieved. Discretion can be applied whereby the weighting for a particular

objective has higher importance to the role. Based on the review and objective evidence available, the Head of Department will submit the appraisal report with their comments on the employee's performance to Remuneration Committee, who will make recommendations on salary increases or otherwise to the President for final decisions.

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IAR DISCRETIONARY BONUS POLICY

Objectives of this Policy

- To improve performance of staff
- To focus employees' efforts on key objectives such as student achievement, teaching and assessment quality, external income generation and consistent on-time delivery.
- To increase employee motivation by establishing a clear link between pay and performance (at an individual or team level).
- To support stakeholder ideals by allowing employees to share in the success of the University
- To encourage change within the University.
- To create the desired workplace culture by, e.g. rewarding teamwork and initiative.

Payment of Bonus

At times the University may decide to pay a discretionary bonus to employees based on exceptional performance. At the end of each year, the President considers recommendations submitted by the Remuneration Committee whether to pay a bonus. The amount will be determined by the success of the University in achieving its objectives and financial performance, as well as by the individual contribution of each employee to the University's objectives, as determined by the Board. It is not intended to make up for or add to an employee's regular salary for meeting the required standards of the job responsibilities.

It is at the sole and total discretion of the President whether there is any bonus, the amount, timing, and whether individual employees are rewarded. It should not be assumed that past payments have established a pattern for future payments. Therefore, bonus payments are entitlements.

Eligibility for Bonus

Only employees, who have satisfactorily completed their probation period successfully, are eligible to receive a bonus. Individuals on a leave of absence may receive a prorated portion of the bonus, at the sole discretion of the President.

Employees who terminate their employment before the end of the bonus period are not eligible for any portion of the Incentive for that period.

Employees who are, or could be, terminated for not meeting performance standards or violating the University's policies are not eligible for any bonus payments. This includes, but is not as limited to, employees who are, or could be, terminated for poor performance, disclosure of confidential information, violation of the duty of loyalty, violation of University policies, off-duty misconduct or gross misconduct that affects the operation and reputation of the University, or commit any other misconduct.

Bonus Payments

The bonus payments will be up to a maximum of 10% of the salary. Bonus payments in any given year shall not be indicative of any future bonus payments.