

# ***CGIAR***

## ***Review of Total Compensation***

*December 2005*

# ***CGIAR Review of Total Compensation***

- Background
- Phase 1- Summary of Phase I Results reported at ExCo VI
- Phase 2- Results Of Phase 2-Comparison to Market reported at ExCo VIII
- Phase 3 -Summary provided at ExCo IX
- Phase 4- Integrated report and next steps

# ***Background***

CGIAR ExCo concluded at its May 2003 meeting that:

“The Secretariat working with CBC, should prepare a paper of compensation structures and levels and mechanisms for ensuring transparency.

Compensation data on the CGIAR should be compared with those from appropriate comparator organizations.

The CGIAR data should be enriched with the expansion of the study to include compensation packages for locally recruited staff. ”

## Terms of Reference

- Drafted in consultation with CBC
- Approved in January 2004 by ExCo

## Review was divided into 4 Phases

- Phase 1-Review of Compensation Structures and Mechanisms for Ensuring Transparency of Internationally Recruited Staff (IRS)
- Phase 2- Comparison of CGIAR Compensation package for IRS with the Market
- Phase 3- Review of CGIAR Compensation Structures for Nationally Recruited Staff (NRS)
- Phase 4- Integrated Results Report

# Overall Approach

- Governance of Project: Steering Group
- Collaborative and Technical Support:
  - ❖ Focal points from each Center, appointed by DG's
  - ❖ SAS-HR Director and G & D Leader
- Professional Anchor: Sandra Lawrence for overall coordination, technical advice and quality control
- Survey and analysis: Persis Mathias, Project Leader for Phase 1 from Hewitt Associates, Malaysia and Michael Ronan for Phase 2 from Hewitt Associates, United States. Gordon Whyte on Phase 3 design and analysis

# ***Phase 1- Survey of Centers' Compensation Levels***

## **Mapping**

- IRS staff at Centers and System Office mapped to 9 Hewitt levels- 4 Research, 3 service, and two management levels- DDG and DG

## **Cash compensation**

- Actual minimum, median & maximum base salary data
- Bonuses
- Other cash payments

## **Benefits**

- All employee benefits

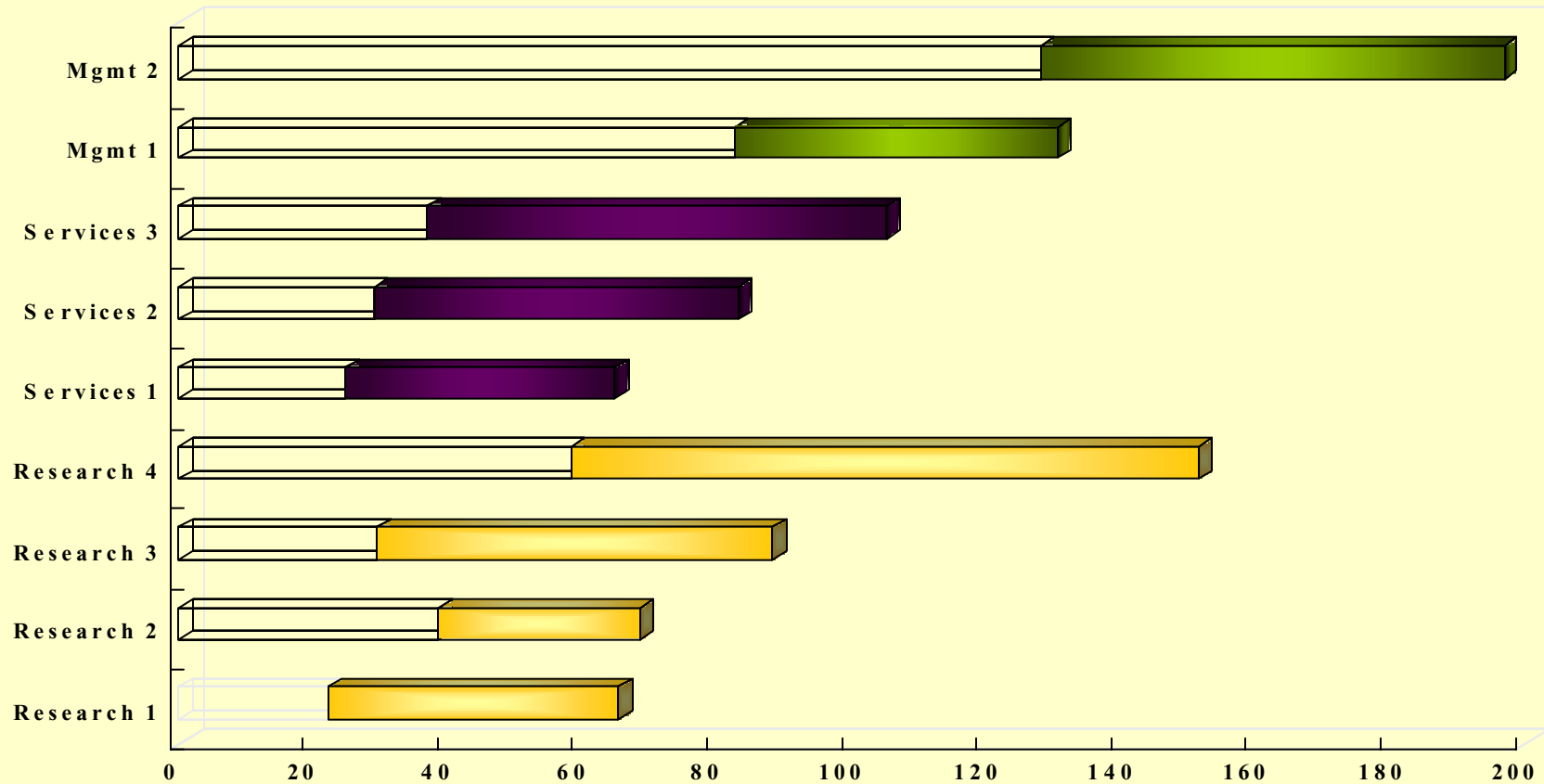
## **Salary administration**

- Compensation philosophy & structures

# Overview Range of Median Base Salary

Min

Max

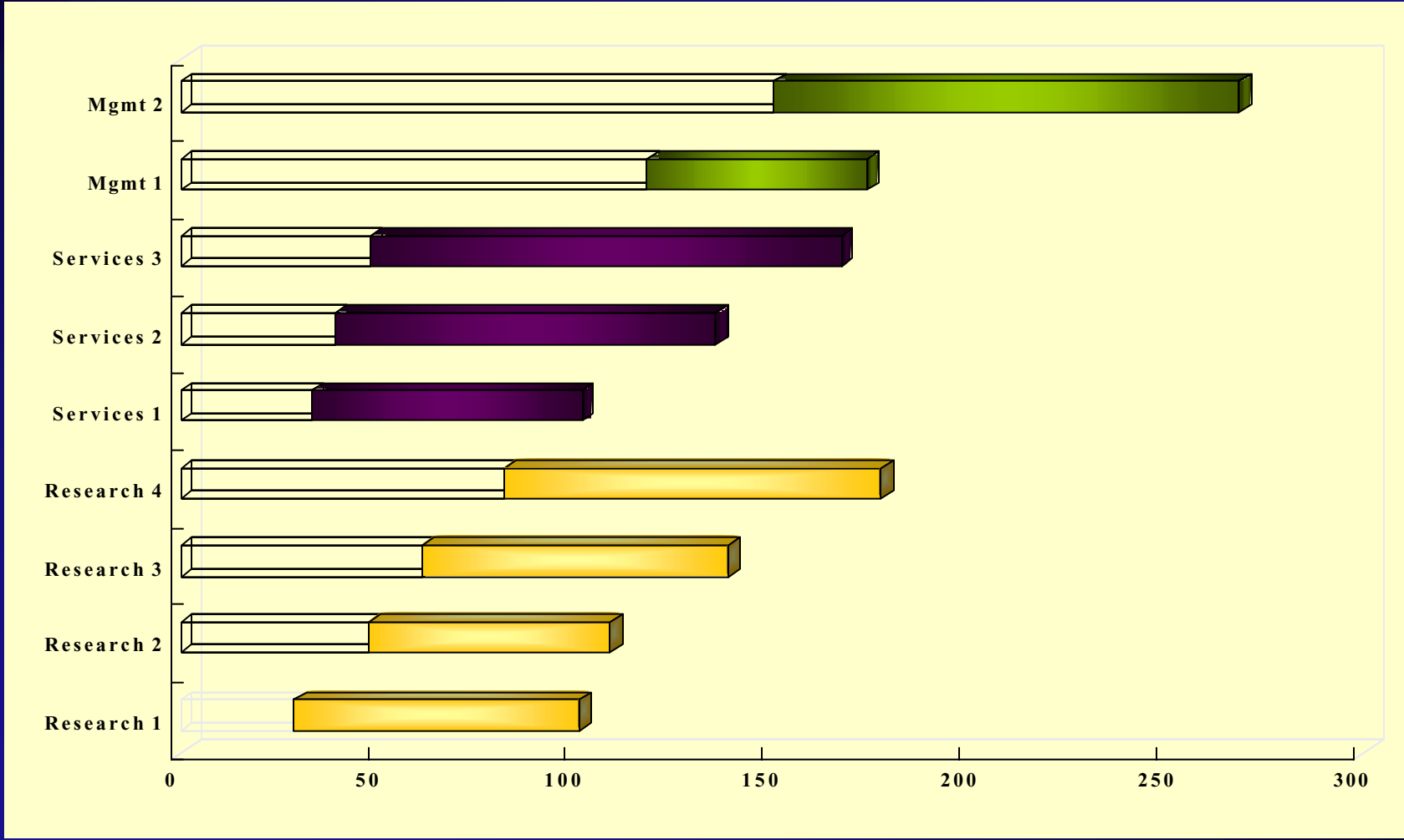


Figures in USD 000's per annum as of Dec 2003

# ***Total Compensation Comparisons***

- Variations and differences come to light when one looks at the over view of compensation and the method of delivery- cash allowance vs. benefit
- Some benefits are paid as cash allowances, others are policies
- In order to approximate total compensation, added all cash payments, quantifiable benefits, estimated pension contribution and cost of insurances

# Overview of Median Total Compensation



Figures in USD 000's per annum as of Dec 200...



# **Phase 2**

## **IRS Comparison to Market**

### Objective

To provide a comparison with comparator organizations particularly those engaged in agricultural research, in private and public sectors, world-wide

### Content Coverage

Compensation packages for HQ and out posted staff

### Basket of Comparators

Government- National Agriculture Research Organizations  
International Organizations  
For Profits

# ***Comparator Organizations***

In order to understand market practice, the following organizations were identified as competitors for Research and Research Center Management talent on a global level.

## **Governmental Organizations**

- ❖ ARS
- ❖ CIRAD
- ❖ JIRCAS
- ❖ EMBRAPA

## **International Organizations**

- ❖ IFAD
- ❖ FAO

## **For-Profit Organizations**

- ❖ ADM
- ❖ Cargill
- ❖ Pioneer Hi-Bred

*\* Note - All comparator organizations were endorsed by the Steering Group.*

# Position-Matching Results

	ARS	CIRAD	EMBRAPA	JIRCAS	IFAD	FAO	Cargill	ADM	Pioneer Hi-Bred
<b>Director General</b>	SES 3/4 - Area Directors	Level 9 - Dept./Program Directors	Executive Director	President	Asst President	ADG	Senior Manager I	Band 7 - President, R&D	Band II-A - Head, Research & Prod. Dev.
<b>Deputy Director General</b>	SES 4/5 - Asst. Area Directors	No Match	General / Adjunct Unit Chiefs	Vice President	D1 - Div. Head	D1 - Div. Head	Manager II	Band 6 - VP	Band III-E - Strategic Dir. Research
<b>Research Level IV</b>	GS 15 - Major Impact Players	Level 8 - Lead Specialist / Team Leader	Research Supervisor / Researcher W	Research Level 5	P5 - Team Leader or Expert	P5 - Team Leader or Expert	Senior Advisor	Band 5 - Dir./ VP, BU	Band III-C/D - Research Leadership
<b>Research Level III</b>	GS 14 - Team Leader	Level 7 - Full Professional	Researcher Q, R, S, T, U, V, W	Research Level 4	P4 - Senior Officer	P4 - Senior Officer	Advisor	Band 4 - Manager / Individ. Contrib.	Band III-A - Sr. Research Professional
<b>Research Level II</b>	GS 13 - Experienced Researcher	Level 7 - Entry Professional	Researcher - L, M, N, O, P,	Research Level 3	P3 - Professional	P3 - Professional	Senior Professional	Band 3 - Proj. Leader / Individ. Contrib.	Band IV-C - Intermediate Scientist
<b>Research Level I</b>	GS 12 - Entry-level Researcher	Level 6 - Entry Professional (No Experience)	Researcher - A, B, C, D, E, F, G, H, I, J & K	Research Level 2	P2 - Entry Professional	P2 - Entry Professional	Associate Professional / Professional	Band 2 - Individ. Contrib.	Band IV-B - Level I Scientist

# Key Findings-HQ Base Salary

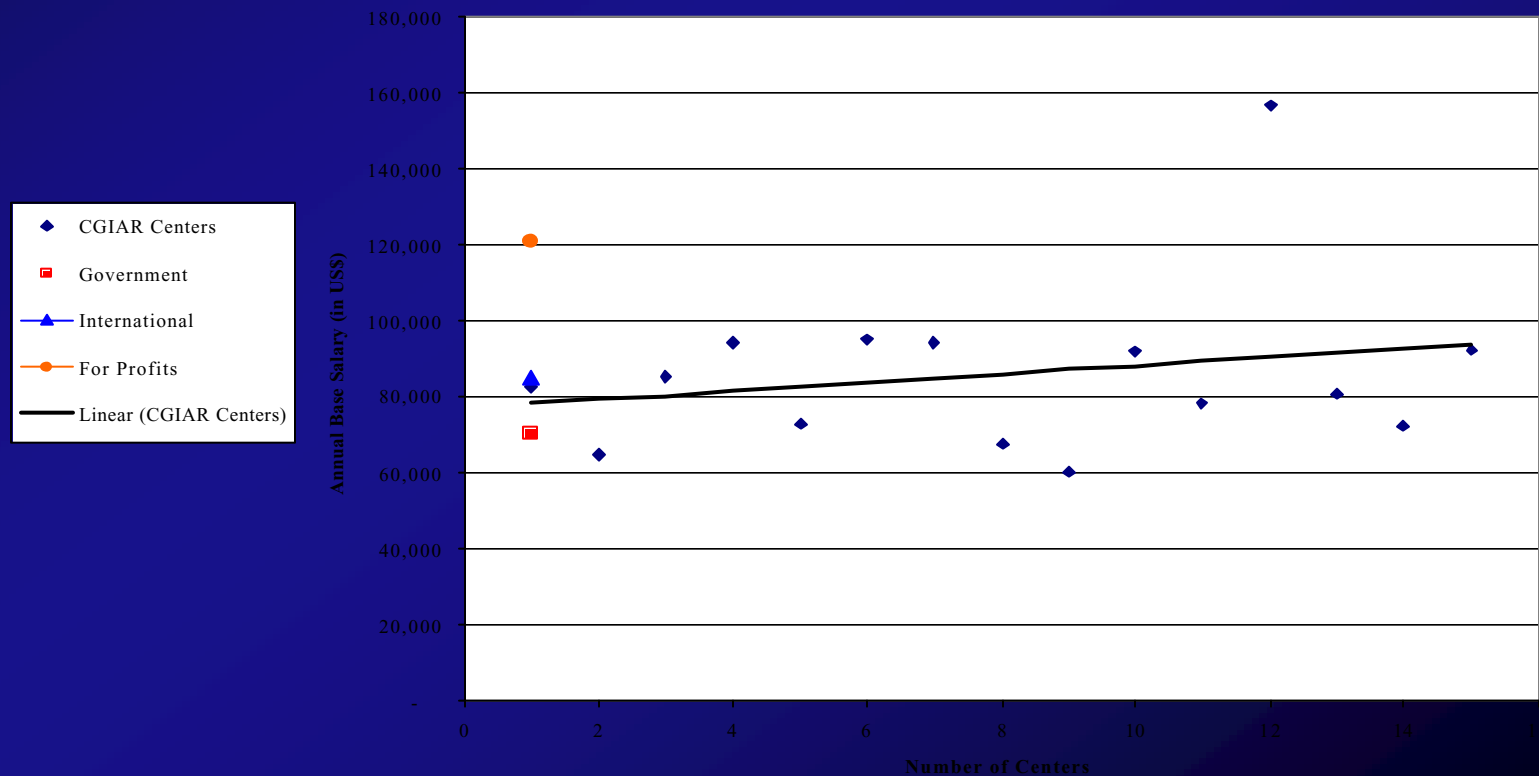
Base Salary for HQ Staff – CGIAR Aggregate vs. Comparator Organizations, “-” indicates CG is lower than comparator, “+” indicates CG is higher.

Level	Governmental	International	For-Profit
I	-	-	-
II	-	-	-
III	+	-	-
IV	+	=	-
DDG	+	+	-
DG	+	+	-

# Base Salary- Centers vs. Comparators

At Research Level IV, most Centers have surpassed Government and have caught up to International. One Center leads the For Profits.

Comparison of Average Annual Base Salaries - Research Level IV



# Key Findings – Total Cash

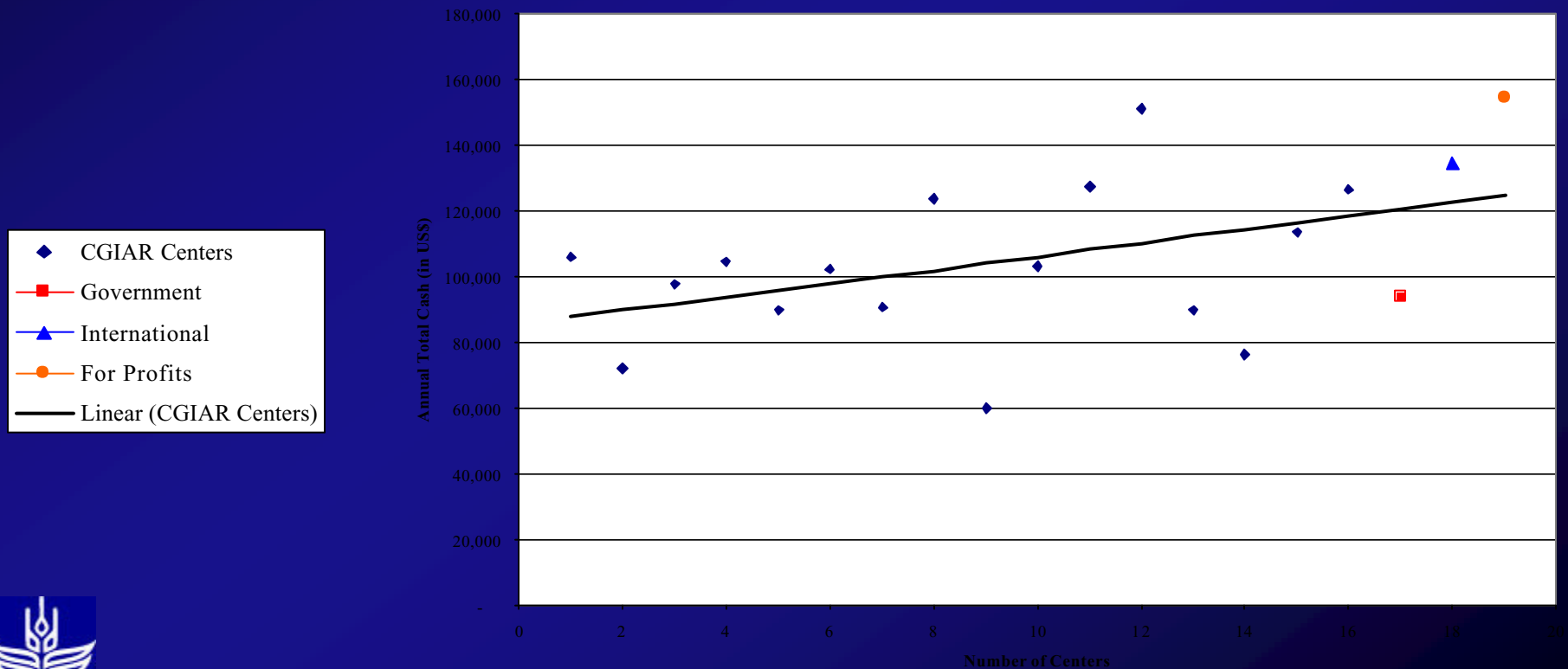
Total cash for HQ Staff – CGIAR Aggregate vs.  
Comparator Organizations

Level	Governmental	International	For-Profit
I	-	-	-
II	-	-	-
III	+	-	-
IV	+	-	-
DDG	+	-	-
DG	+	+	-

# Total Cash - Centers vs. Comparators

For Research Level IV, CGIAR's Total Cash position still tends to lead Government, but now lags both International and For Profits.

Comparison of Annual Total Cash - Research Level IV



# ***Key Highlights – HQ-Based Staff***

- Research Levels I and II are consistently below the comparators for Base Salary and Total Cash;
- When analyzed individually, the DDG and DG Base Salary levels tend to be above Government and International;
- In aggregate, CGIAR's base salary begins to align with Government at Level IV, but individually begins at Level III;
- CGIAR leads Government in Total Cash for Levels III and above;
- Pay practices for HQ-based roles are a function of local country standards, so results with vary:
- Base salaries and pay structures differ to a high degree between the various CG Centers.

# ***Key Findings- Total Compensation for Outposted Level 4 Researcher***

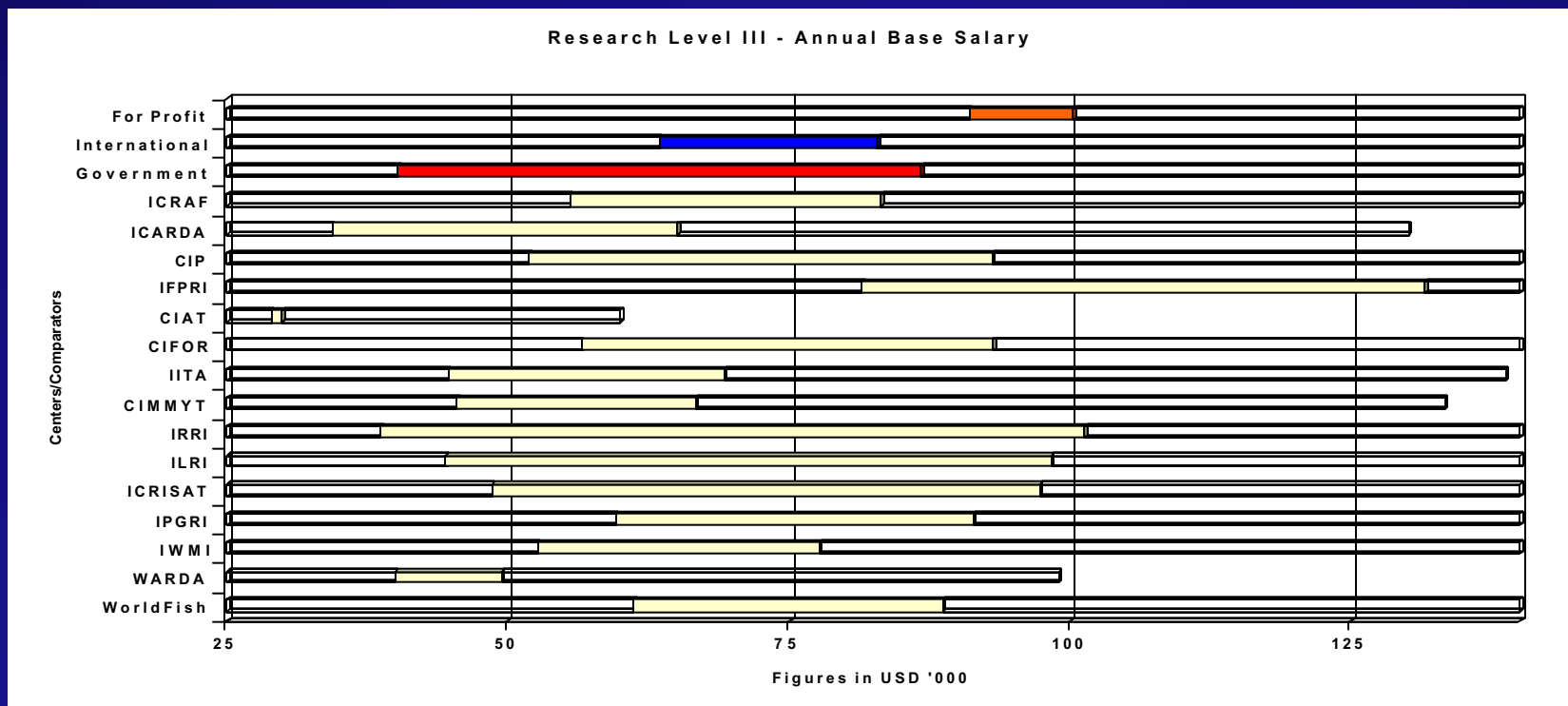
**Comparison of Total Cash, Allowances and Home Leave for a CGIAR Research level IV compared to a staff outposted from comparators to the specific location.**

---

<b>Country</b>	<b>Governmental</b>	<b>International</b>	<b>For-Profit</b>
Mexico	+	=	-
Philippines	-	-	-
Kenya	-	-	-

# Overall Summary and Commentary

- ❖ The most notable finding was the level of disparity in pay levels and practices across the CG Centers in base salary, total cash and with pay ranges as illustrated with Research Level 3 below:



# ***Phase 3-Nationally Recruited Staff***

## **Objective**

- To survey key aspects of NRS compensation policies

## **Content coverage**

- Grades and salary structures
- Salary administration policies
- Benefits

## **Methodology**

- Questionnaire developed in collaboration with Centers (CIAT, ICRAF, ILRI, IPGRI, IRRI, WORLD FISH)
- Analysis of policies, not salaries as to the differences in currency, local markets, country specific legal requirements

# *Key Findings*

## Overall assessment

- The Centers reported sound and well-communicated compensation policies that reflect the local market conditions.

## Grade and Salary Structures for HQ staff

- NRS positions vary among centers- some include basic services, such as janitorial, other contract them out.
- IPGPRI, IFPRI and CIAT include all service, including managerial
- Structures reflect local market conditions.
- Wide variation among Centers- from 4 to 24 grades
- All have established methodologies for reviewing and updating

Wider variation is setting salaries for non HQ staff, Centers do not always coordinate when they have staff in same location

# *Key Findings*

## **Regionally Recruited Staff**

- Defined as staff who have salary and/or benefits greater than NRS
- No one definition across centers. May include positions which require regional experience, National staff from HQ out posted
- 11 of the centers employ some 230 RRS, but Centers indicate to hire more in future
- Policies are less well defined than for NRS

# ***CGIAR Disclosure Principles***

- Overview of base salary ranges
- Benefits policies
- Basic employment data, e.g. Overall number of staff by employment category
- All material updated periodically
- No disclosure of individual staff data

# *Guiding Principles*

Consistent and integrated approach underlying the CGIAR compensation programs

Centers should have “common principles” even though they have different compensation programs based on differing locations and specialities

# ***Guiding Principles***

The Centers should have compensation programs that provide :

- Compensation package to attract and retain staff within a reasonable cost structure
- Objective and established grade and salary structures
- Periodic review of pay
- Individual pay increases to reflect performance, with no differentiation based on gender or nationality
- Benefits which are at least on par with those required in the market
- Recognition of accommodation with work/ life issues
- Simple and efficient administrative processes
- Open communication and transparency of decision making process
- Communication across centers
- Balance between internal equity and external competitiveness

# ***Recommendations for Follow-up***

In line with the Guiding Principles:

- Establish guidelines determining which positions are IRS, NRS or RRS
- Develop written policies for RRS compensation
- Insure grading and salary structures are constructed to be efficient and cost effective
- Set up inter –Center coordination of salary setting in non-HQ centers
- Develop specific policies on how to deal with serious medical issues

# *Possible Mechanisms to Support Centers*

- Workshop with HR managers and DDGs
- Sharing of practices across centers (SAS-HR)
- Assistance to Centers from pool of HR and Compensation experts
  - ❑ Center based expertise
  - ❑ System Office support- SAS- HR, AIARC, Gender and Diversity Program
  - ❑ Independent consultants specializing in HR and International compensation
  - ❑ Hewitt Associates
- Potential incentives available to Groups of Center looking at common issues