



Salary and Pay Policy

1. Date of Policy Statement: October 2021

Purpose and Context

Humentum's salary and pay policy is designed to be competitive with comparable organizations of similar size and scope in order to attract, retain and reward high-performing employees at all levels. Humentum's salary levels will be benchmarked against both INGOs and member associations in markets where we work, to provide equity. A full benchmarking study was completed in April 2019 and will be conducted every three years.

Employee financial compensation is just one component of the overall, multi-level staff value proposition laid out in the Total Rewards Policy.

2. Principles

Humentum's salary and pay approach is based on the following principles:

- **Future looking:** Through use, this system will help ensure Humentum's operational alignment with our mission, vision, values and equity principles.
- **Equitable:** We will,
 - Ensure that objective criteria such as experience, skill-level and market considerations are used to set the pay level for employees occupying similar jobs (that is, jobs evaluated to be at the same job level by an objective job evaluation). Gender, race or other personal characteristics are not relevant to and will not be used when determining pay. Humentum commits to conducting periodic analyses to validate that personal characteristics do not influence salary levels within Humentum.
- **Transparent:** We will,
 - Make the grade and step structure available to employees as well as the criteria used to assign pay steps within grades. We will clearly designate the grade of each position within the organization and inform employees of their grade, step and salary. All posted job openings will include the grade of the job in the announcement. Individual salaries will not be publicly disclosed and will be treated as personal confidential information.

- **Externally Competitive:** We will,
 - Set salaries using Birches reports or another comparably recognized leader in the not-for-profit sector for salary benchmarking.
 - Align Humentum positions to the appropriate salary band built around the 50th percentile of the corresponding market level salary range.
 - Use one global scale aligned to the UK market for all non-US based employees (the UK market being found to be closely comparable to markets in other parts of the world, apart the US).

- **Recognition:** We will,
 - Reward hard work and initiative through non-traditional ways still to be developed (i.e. not through one-off promotions or bonuses done on an individual basis)

3. Scope

This policy applies to all employees of Humentum; employees are defined as those with a contract of employment issued directly by Humentum, as well employees at-will. The compensation policy for volunteers, interns, vendors, suppliers, trustees and consultants/associates is addressed separately through the finance and procurement policies.

This policy document shall not be construed to create a contractual obligation or contractual relationship between Humentum and its personnel.

4. Definitions and Terms

Job evaluation criteria: Humentum considers three factors when evaluating a position to determine its appropriate grade, and two further factors to determine the actual salary paid within the salary band of the grade. See section 5 for further details.

Grade: Grading of each position within the organization will be determined through the job evaluation process based on purpose, engagement and delivery. Grades differ according to knowledge requirements, supervisory controls, complexity, scope and effect. All Humentum positions will be assigned to one of seven grades from A-G.

Salary Bands: For each grade, a salary band is built around the 50th percentile of the corresponding market level salary range. Each band will have some overlap with the previous and next grades. Salary bands are assessed and adjusted based on market benchmarking data every three years to ensure equity. In between benchmarking, salary bands will be adjusted by the Consumer Price Index (CPI) and the GBP/USD rate to keep pace with the market.

Step: Each salary band is subdivided into 10 salary levels, known as steps. The step (1-10) for each position will be assigned based on the experience and qualifications of the individual when they join Humentum or take up a new role. Staff will move through steps as detailed in section 7 below.

5. Evaluating a position for grade

A job's grade is evaluated based on the job description. The following factors are considered:

- 1. Purpose:** measures the substantive focus of the job encompassing the scope, depth, and difficulty of the work. There are seven levels within Purpose; see Appendix 1.
- 2. Engagement:** measures the focus of interaction both internally and externally needed to deliver a service, seek collaboration and build effective relationships. There are seven levels within Engagement; see Appendix 1.
- 3. Delivery:** measures the focus on the execution of the work and the role on the team for supporting business/operational functions. There are seven levels within Delivery; see Appendix 1.

When points are assigned, the following are observed:

- A position factor must fully meet the overall intent of the selected factor level description to warrant a given point value. (No half points awarded.)
- Point values assigned to factors in a position description relate to only one set of duties and responsibilities. Usually these will be duties and responsibilities that take most of the employee's time and have obvious weight and influence for point rating purposes.

To evaluate a position:

- 5.1.** Line Manager prepares the **job description** in the Humentum job description template
- 5.2.** HR Manager determines the **grade** by assigning the corresponding number of points to each of the three factors.
 - Purpose, Engagement and Delivery are assigned points 1-7 to correspond with the levels of the grid. The mean average point value of the three scores will determine the **grade**.
- 5.3.** The HR Manager documents, dates and records the grade decision; this will then be reviewed by the Global Director, Finance & Administration (GDFA). This record may be shared as appropriate in case of dispute.

6. Determining the salary step within the grade

The salary step within the grade is based on the experience and qualifications of the individual appointed to the role.

1. **Experience:** measures the amount of relevant or direct experience that the individual brings to the position. This may be experience at a prior organization or gained in a prior role (or roles) within the current organization. There are three levels within 'experience' that are used with 'qualifications' to set someone at the appropriate salary step within a grade.
 1. No formal experience (informal or education experience only)
 2. Meets most of the essential experience requirements for the role, but with room for growth in less than one year in role
 3. Fully meets the essential formal experience for role

2. **Qualifications:** measure the amount of relevant or direct expertise, knowledge and skills that the individual brings to the position. This may be expertise or skills acquired through training, on-the-job learning, certificate or study programs. Qualifications may be brought into a position as a new recruit or gained during tenure as part of professional development or increased/expanded responsibilities. There are two levels within 'qualifications' that are used with 'experience' to set individuals at the appropriate step within a grade.
 1. Meets most of the essential qualifications for the role, but with room for growth in less than one year in role
 2. Fully meets the essential formal qualifications for role

Experience and qualifications are assigned points 0-2 and 1-2 respectively.

Incoming new staff member joining Humentum: The average point value of the two scores will determine the **Step**, either 1 or 2. To determine the appropriate step:

- HR Manager with Line Manager holds interview with questions designed to assess the level of experience, skills and qualification with candidates.
- HR Manager and Line Manager score both experience and qualification on the scale against the job description.
- The HR Manager documents, dates and records the step decision; this will then be reviewed by the GFDA. This record may be shared as appropriate in case of dispute.
- The offer is made and salary negotiated, within the pre-determined step window.

Existing staff member moving into new role in same grade: will be placed at next step within the grade

Existing staff member moving into new role in higher grade: will be placed in the new grade at the first step corresponding to a salary increase over previous grade/step

In exceptional circumstances, for a role critical to the organization, it may be determined that the set salary for recruitment is higher than step 2. This decision will be made by the CEO, in consultation with the Senior Manager, HR prior to the role being advertised.

7. Salary Progression

Humentum is committed to providing transparency and predictability in relation to salary progression within the organization. Salary progression occurs through the following mechanisms:

1. Step progression will be annual (if no change in role): a staff member will move to the next step each year. This step advancement will be effective on the first day of the next fiscal year.
2. Lateral (same grade) permanent job change within Humentum: increase one step within grade
3. Promotion (higher grade) permanent job change within Humentum: placement in the new grade at the first step corresponding to a salary increase over previous grade/step

Staff members who join the organization or are promoted after 30 June will not receive a step increase in the following October. Rather, step increases will start in the next fiscal year (for a maximum of 15 months without a step increase).

When staff reach step 10, no further salary advancement will be made unless promoted to a new role in a higher grade.

8. Internal temporary or stretch assignments

Humentum strives to provide learning and development opportunities for staff members including the possibility to move into time-limited stretch assignments or temporary (interim) roles as they become available.

Humentum will ensure that a staff member assuming a stretch assignment or temporary (interim) role is correctly compensated for the work they are undertaking, for any such role lasting more than four weeks. The salary amount for the stretch or temporary assignment will apply only for the duration of the assignment and will not be less than the amount they are paid in their permanent position. For the period of temporary assignments, the staff will receive a step increase.

9. Location changes

Employees can relocate provided their ability to complete their role is not hindered and there is no impact on the organization. The relocation needs to be agreed with their line manager and HR.

For short term relocation, periods up to 6 months, the current salary and benefits will remain the same, with the employee taking on responsibility for any additional taxes should they arise. For longer term relocation, the salary and benefits will be as per the new location.

In all cases, the employee must ensure they have a right to work in the new country, before any relocation is considered.

10. Salary Review

Humentum adheres to the following policy, related to modifications to employee compensation:

10.1. Equity review

Staff salaries will be benchmarked in accordance with updated geographically appropriate market data, considering both internal equity and external competitiveness to the market, every three years. Each equity review period will serve as an opportunity for Humentum to align with external market factors (size, budget and geographies) to ensure that the organization is competitive in its ability to attract and retain quality talent at all levels. The equity review will include a review of all job descriptions to identify any necessary modifications to be made; all job descriptions will be benchmarked against the external market and aligned with other similarly situated positions within the organization. Employees may request an individual equity review at any time if they feel they are not being compensated according to policy.

10.2. Annual inflation adjustments

In years between benchmarking exercises, Humentum will adjust salary scales according to national inflation (CPI) of the previous year, where financially able as per section 11. The UK CPI will be applied to UK and global salary bands; the US CPI will be applied to US salary bands. Exchange rate adjustment between the GBP/USD will also be considered each year, until such time as the global scale is benchmarked in USD. All staff contracts will be set in currencies as described in Appendix 2. Step increases will be prioritized over CPI adjustments.

11. Additional Information

Humentum has designed and will administer Total Rewards in a financially sustainable manner to ensure the good stewardship of our resources and financial stability. Many benefits included in the Total Rewards policy are privileges conferred on staff that can be curtailed or cancelled if Humentum experiences financial constraints that make delivery on these benefits untenable. As with all budget decisions, adjustments for inflation and funds for other employee benefits are subject to annual appropriation.

Appendix 1.

Seven levels and three factors used for Grades

Level	Purpose	Engagement	Delivery
	This factor measures the substantive focus of the job encompassing the scope, depth and difficulty of the work.	This factor measures the focus of interaction both internally and externally needed to deliver a service, seek collaboration and build effective relationships.	This factor measures the focus on the execution of work and the role on the team for supporting business/operational functions.
7	Lead	Inspire	Vision
6	Advance	Position	Corporate Planning
5	Integrate / Transform /Innovate/ Adapt	Empower / Compel /Advocate	Define Programme Cycle and/or Business Line Cycle
4	Analyze /Apply Basic Concepts / Manage Integrated Process	Collaborate / Acquire / Align	Manage & understand the Project or Business Cycle / Sustain Service
3	Ensure Process Integrity / Execute Intricate Transactions	Advise & Inform	Prioritize & Select / Sustain Standards
2	Process Basic Transactions/Provide General Support	Exchange	Basic Information Organization
1	Provide Physical/Mechanical Support	Aware	Consistent Repetition

Appendix 2.

Currency of salary payment for countries of employment in Humentum

Country	Currency of Contract	Currency of Payment
France	EUR	EUR
Guatemala	USD	USD
India	USD	INR
Kenya	USD	USD
South Africa	ZAR	ZAR
Spain	EUR	EUR
Trinidad & Tobago	USD	USD
Uganda	USD	USD
United Kingdom	GBP	GBP
United States	USD	USD

Appendix 3.

US-based employee scale (USD)

USD	Steps									
Grade	1	2	3	4	5	6	7	8	9	10
A	188,800	201,394	213,987	226,581	239,175	251,768	264,362	276,956	289,549	302,143
B	150,902	160,965	171,028	181,091	191,154	201,217	211,281	221,344	231,407	241,470
C	107,580	117,140	126,699	136,259	145,819	155,379	164,939	174,499	184,059	193,619
D	73,968	80,538	87,109	93,680	100,250	106,821	113,391	119,962	126,533	133,103
E	50,793	55,307	59,820	64,334	68,847	73,361	77,875	82,388	86,902	91,415
F	36,070	39,281	42,492	45,704	48,915	52,126	55,338	58,549	61,760	64,972
G	31,616	31,616	31,616	33,437	35,258	37,079	38,900	40,722	42,543	44,364

Global Scale for all non-US based (GBP)

GBP	Steps									
Grade	1	2	3	4	5	6	7	8	9	10
A	90,947	99,042	107,138	115,233	123,328	131,424	139,519	147,615	155,710	163,806
B	69,956	76,183	82,410	88,637	94,864	101,091	107,318	113,546	119,773	126,000
C	51,819	56,431	61,044	65,657	70,269	74,882	79,494	84,107	88,719	93,332
D	33,431	36,406	39,382	42,358	45,334	48,310	51,285	54,261	57,237	60,213
E	20,895	22,755	24,615	26,475	28,335	30,195	32,055	33,915	35,775	37,635
F	21,158	21,158	21,158	21,158	21,812	22,467	23,121	23,776	24,430	25,085
G	21,158	21,158	21,158	21,158	21,158	21,158	21,158	21,158	21,158	21,158

Global Scale for all non-US based (USD)

USD	Steps									
Grade	1	2	3	4	5	6	7	8	9	10
A	125,131	136,270	147,408	158,546	169,685	180,823	191,961	203,100	214,238	225,376
B	96,251	104,819	113,386	121,954	130,522	139,089	147,657	156,225	164,792	173,360
C	71,296	77,643	83,989	90,335	96,681	103,028	109,374	115,720	122,067	128,413
D	45,996	50,091	54,185	58,279	62,374	66,468	70,562	74,656	78,751	82,845
E	28,749	31,308	33,867	36,426	38,986	41,545	44,104	46,663	49,222	51,781
F	29,110	29,110	29,110	29,110	30,011	30,911	31,812	32,712	33,613	34,513
G	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110