



Australian Government

Department of Education, Employment and Workplace Relations

PSPHR619A Manage remuneration strategies and plans

Revision Number: 3

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Modification History

Release	TP Version	Comments
3	PSP12V1	Unit descriptor edited.
2	PSP04V4.2	Layout adjusted. No changes to content.
1	PSP04V4.1	Primary release.

Unit Descriptor

This unit covers the management of the organisation's remuneration strategies and plans. It includes determining remuneration options, and negotiating and managing implementation of the strategies and plans.

In practice, managing remuneration strategies and plans overlaps with other generalist and specialist workplace activities such as managing policy implementation, managing resources, managing employment relations, managing recruitment etc.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication

Application of the Unit

Not applicable.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements are the essential outcomes of the unit of competency. Together, performance criteria specify the requirements for competent performance. Text in ***bold italics*** is explained in the Range Statement following.

Elements and Performance Criteria

ELEMENT

PERFORMANCE CRITERIA

1. Determine options for remunerating employees

- 1.1 Options for remunerating employees are developed through consultation with key **stakeholders**.
- 1.2 **Remuneration** options are identified through analysis of good practice models of remuneration.
- 1.3 An analysis of information acquired through consultation and research is conducted to prioritise options for remuneration strategies and plans.

2. Negotiate remuneration strategies and plans

- 2.1 **Remuneration strategies and plans** are negotiated and developed in consultation with key stakeholders to meet present and future needs of the organisation including the attraction and retention of high performing employees.
- 2.2 **Internal and external factors** are considered in preparing strategies and plans.
- 2.3 Information and advice are provided to facilitate effective implementation, monitoring and evaluation of strategies and plans.
- 2.4 Strategies and plans are prepared based on the principles of natural justice, equity and fairness.
- 2.5 Strategies and plans are integrated with **other key human resource policies**.
- 2.6 Relevant **legislation and policy** requirements are complied with in developing remuneration strategies and plans.

3. Manage the implementation of remuneration strategies and plans

- 3.1 **Information** in relation to remuneration strategies and plans is made available to employees.
- 3.2 Systems are developed and implemented to monitor the effectiveness of remuneration strategies and plans in accordance with contractual obligations, legislation, organisational policy and needs, and in consultation with managers.
- 3.3 External and/or internal trends or events which have an effect on the organisation's remuneration strategies and plans are monitored and responses are formulated.
- 3.4 Strategies and plans are monitored to gauge their effectiveness in meeting organisational requirements and providing support to staff involved in using them.
- 3.5 Adjustments to strategies and plans are implemented as a result of monitoring and/or changed internal/external **factors**.

Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

Skill requirements

Look for evidence that confirms skills in:

- undertaking effective negotiation and consultation with stakeholders
- using numeracy for assessing and designing remuneration strategies
- using a variety of words and language structures to explain complex ideas to different audiences
- interpreting and explaining complex, formal documents and assisting others to apply them in the workplace
- preparing written strategies and plans requiring reasoning and precision of expression
- responding to diversity, including gender and disability
- observing occupational health and safety and environmental requirements in the context of managing remuneration strategies and plans

Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- types of remuneration structures
- design of remuneration structures
- national and/or international good practice models applicable to public sector remuneration
- concept of retaining an organisation's human/intellectual capital through effective remuneration strategies and plans
- remuneration in the context of enterprise/workplace agreements
- awards, legislation and agreements pertaining to employment framework and conditions
- employment contracts
- organisational goals, policies and procedures
- equal employment opportunity, equity and diversity principles
- jurisdictional legislation applying to human resources including occupational health and safety and environment requirements

Evidence Guide

The Evidence Guide specifies the evidence required to demonstrate achievement in the unit of competency as a whole. It must be read in conjunction with the Unit descriptor, Performance Criteria, the Range Statement and the Assessment Guidelines for the Public Sector Training Package.

Units to be assessed together

- *Pre-requisite* units that must be achieved prior to this unit: *Nil*
- *Co-requisite* units that must be assessed with this unit: *Nil*
- *Co-assessed units* that may be assessed with this unit to increase the efficiency and realism of the assessment process include, but are not limited to:
 - PSPETHC601B Maintain and enhance confidence in public service
 - PSPGOV601B Apply government systems
 - PSPHR612A Manage recruitment
 - PSPHR614A Manage employment relations
 - PSPHR616A Manage performance management system
 - PSPLEGN601B Manage compliance with legislation in the public sector
 - PSPMNGT602B Manage resources
 - PSPMNGT605B Manage diversity
 - PSPMNGT611A Manage evaluations
 - PSPPOL603A Manage policy implementation

Overview of evidence requirements

In addition to integrated demonstration of the elements and their related performance criteria, look for evidence that confirms:

- the knowledge requirements of this unit
- the skill requirements of this unit
- application of the Employability Skills as they relate to this unit (see Employability Summaries in Qualifications Framework)
- remuneration strategies and plans managed in a range of (3 or more) contexts (or occasions, over time)

Resources required to carry out assessment

These resources include:

- legislation, policies and procedures relating to remuneration
- workplace scenarios and case studies to capture the range of situations likely to be encountered when managing remuneration strategies and plans
- environmental factors and relevant workplace materials that might influence remuneration strategies and plans

Where and how to

Valid assessment of this unit requires:

assess evidence

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when managing remuneration strategies and plans, including coping with difficulties, irregularities and breakdowns in routine
- remuneration strategies and plans managed in a range of (3 or more) contexts (or occasions, over time)

Assessment methods should reflect workplace demands, such as literacy, and the needs of particular groups, such as:

- people with disabilities
- people from culturally and linguistically diverse backgrounds
- Aboriginal and Torres Strait Islander people
- women
- young people
- older people
- people in rural and remote locations

Assessment methods suitable for valid and reliable assessment of this competency may include, but are not limited to, a combination of 2 or more of:

- case studies
- portfolios
- projects
- questioning
- scenarios
- authenticated evidence from the workplace and/or training courses

For consistency of assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments

Range Statement

The Range Statement provides information about the context in which the unit of competency is carried out. The variables cater for differences between States and Territories and the Commonwealth, and between organisations and workplaces. They allow for different work requirements, work practices and knowledge. The Range Statement also provides a focus for assessment. It relates to the unit as a whole. Text in ***bold italics*** in the Performance Criteria is explained here.

Stakeholders may include:

- all those individuals and groups both inside and outside the organisation that have some direct interest in the organisation's behaviour, actions, products and services, such as:
 - users of the human resource service
 - employees at all levels of the organisation
 - other public sector organisations
 - union and association representatives
 - boards of management
 - government
 - Ministers

Remuneration refers to:

- non-financial rewards
- wages, salaries, allowances and other forms of monetary payments
- employment benefits to reward and recognise the performance of employees

Remuneration strategies and plans may include:

- types of remuneration structures
- job and role analysis
- job description
- job and role evaluation
- job grading
- development of work level standards
- skills-based remuneration
- competency-based remuneration
- remuneration tied to work level
- enterprise/workplace agreements
- salary packaging
- incentive schemes
- salary progression requirements (such as linking to performance or time served)
- salary scales/tables
- arrangements for ongoing versus non-ongoing employment
- arrangements for temporary higher duties

	• arrangements for paying above/below the salary band • allowances and special payments (such as those for remote placements, overseas service or life-threatening environments) • atypical work issues
Internal and external factors may include:	• available funds • political pressures • operational context • workforce issues such as attraction, reward and retention of high performing employees • outsourcing options
Other key human resource policies may include:	• equity and diversity • workforce planning • organisational development • career management • organisational design • redeployment • learning and development
Legislation and policy may include:	• Commonwealth and State/Territory legislation including equal employment opportunity, anti-discrimination and employment law • national and international codes of practice and standards • the organisation's policies and practices • government policy • codes of conduct • contractual obligations
Information may be made available to employees through:	• written documentation • manuals • policy and procedure statements • guides • information brochures and pamphlets • oral advice and guidance • individual and group meetings • telephone contact and/or electronic mail • training programs
Factors impacting on implementation may include:	• changed financial or political circumstances • downsizing or organisation restructuring • retention of high performing employees • opportunities for outsourcing

- changes in legislation or core business activities
- changes in activities or aspirations of customers
- organisational changes
- labour market

Unit Sector(s)

Not applicable.

Competency field

Human Resource Management.