



POLICY: REWARD AND REMUNERATION

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Related documents			
Da Vinci documents (e.g. Policies, Regulations, Guidelines, Contracts) <ul style="list-style-type: none"> • Policy: Human Resources • Employment Contract 		Other (e.g. Legislation, DHET and CHE directives and guidelines) <ul style="list-style-type: none"> • Constitution of the Republic of South Africa: 1996 • Higher Education Act (Act 101 of 1997) • NQF Act, No. 67 of 2008 • BCEA • Labour Relations Act (Act 66 of 1995) as amended • CHE: Distance Higher Education Programmes in a Digital Era: Good Practice Guide 	
Website address of this document:		www.davinci.ac.za/da-vinci-policies-and-procedures/	

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1. PREAMBLE

This policy forms part of the set of quality management policies of The Da Vinci Institute for Technology Management.

Da Vinci offers outcomes based, distance education opportunities. The policies and procedures detail the principles and processes that will ensure that learning programme offerings are aligned to the principles of a Mode 2 higher education institution, whilst adhering to the required academic standards and empowering students with the knowledge, skills and values to contribute to their communities, society and economy of the future.

2. SCOPE

This policy applies the same principles and practices to all employees including Fixed Term Contractors who meet the eligibility criteria.

The policy and procedure will be applied fairly and consistently and integrate financial and non-financial rewards and benefits.

This policy should be read in conjunction with all Da Vinci policies available on the Da Vinci Website.

3. PURPOSE

The purpose of this policy is to ensure that reward programmes and remunerations practices align behaviours with the business strategic intent and motivate employees to be high performers with remarkable output/actions.

It also ensures that The Institute offer:

- 🌀 competitive remuneration packages;
- 🌀 development plans and retention plans for high performing employees;
- 🌀 a culture of remarkability;
- 🌀 a culture of recognising high performance individuals

The Institute seeks to remunerate employees based on their performance. The remuneration principles are applied consistently throughout The Institute.

The Institute seeks to remunerate employees in a manner that supports the achievement of the strategic objectives, attracting and retaining scarce skills and rewarding high levels of performance.

This policy is aligned to the strategic intent of The Institute and comply with relevant legislation. The policy will be reviewed regularly and communicated to all employees.

No bonus scheme forms part of the conditions of employment for employees.

4. DEFINITIONS

BCEA - Basic Conditions of Employment Act 75 of 1997 as amended

CEO - Chief Executive Officer

UIF - Unemployment Insurance Fund

Employee - Any person employed by The Institute, including fixed term contract employees

Remuneration - Refers to salary or pay which an employee receives in return for work or services rendered

5. BENCHMARKING

The Institute will conduct a salary benchmarking exercise once a year, using online salary benchmarking information.

The Institute aims to ensure consistent treatment on remuneration across the business, by remunerating employees fairly and consistent according to their contribution.

6. ANNUAL SALARY REVIEWS

The Institute reviews salaries on an annual basis. These increases will be effective in February of every year.

The salary increases will be determined in accordance with the performance results achieved during the prior performance period/year.

Only employees who achieved a final score of equal to or greater than 2.5, will be eligible for a salary increase.

The average percentage salary increase will be calculated in accordance with the approved budget for salaries, as well as the average inflation rate for the previous year.

Salary increases for employees are not guaranteed. The following criteria will impact on the salary increases:

- ☞ Salary increases should be affordable and should not expose the organisation to undue financial risks.
- ☞ Alignment of the current remuneration of an employee to the benchmark.

All employees who have been employed for a period of nine months or more during the financial year under review, and who have completed their performance evaluations, will be eligible for an annual salary review at the financial year-end.

The employee's annual salary increase will be pro-rated according to the number of months in the respective position, if the employee has been deployed in another role during the year.

The CEO has a prerogative to review prorated increases, based on individual's performance, and/or salary package alignment, on a case by case basis.

6.1 INTERIM INCREASES

Interim adjustments to remuneration may be authorized by the CEO under exceptional circumstances if and when appropriate.

7. EMPLOYEE BENEFITS

The Institute does not offer retirement benefits, medical aid benefits or any other benefits. However, in addition to existing long weekends, four (4) Da Vinci Holidays are identified each year which coincides with public holidays to ensure four (4) additional long weekends for staff, as well as the days between 24 December and 2 January.

8. CUSTOMER SATISFACTION INDEX (CSI) INCENTIVE

The purpose of the CSI incentive is to recognize and acknowledge employees' good performance and to motivate those who are performing above the agreed upon or set standards. The individual CSI bonus is determined based on:

- 🌀 Feedback received from clients and stakeholders via the CSI bi-annual survey.
- 🌀 Feedback from the SSI annual survey.
- 🌀 Participation in the reward and recognition programme, The Purple Cow.

The CSI incentive seeks to:

- 🌀 Reward employees for individual performance and good client service achieved during the year.
- 🌀 Reward employees for achieving the strategic objectives of The Institute by influencing the contribution and focus of the employees.
- 🌀 Recruit, motivate and engage employees likely to be high performers.

9. THE PURPLE COW REWARD AND RECOGNITION PROGRAMME

The purpose of The Purple Cow is to recognize and acknowledge employees for remarkable behaviour.

The reason it would shine among a crowd of perfectly competent, even undeniably excellent cows, is that it would be remarkable. Something remarkable is worth talking about, worth paying attention to.

Seth Godin (The Purple Cow)

9.1 THE IMPACT

- ☞ Client achievement (practical application)
- ☞ Client success (professional improvement)
- ☞ Institutional efficiency and effectiveness (operational improvement)
- ☞ Business improvement
- ☞ Academic development
- ☞ Financial performance
- ☞ Return on investment (integration with strategic objectives and related goals)
- ☞ Team engagement
- ☞ Individual performance

9.2 CRITERIA FOR REMARKABILITY

- ☞ Abandon the way you did things yesterday and do it better today.
- ☞ Am I going to make a remark about it?
- ☞ Being noticed is not the same as being remarkable.
- ☞ Extremism in the pursuit of remarkability is no sin.
- ☞ Remarkability lies in the edges. It doesn't always matter which edge but always go beyond the edge.
- ☞ Your goal is to please those that actually speak up and spread the word.
- ☞ Part of what it takes to do something remarkable is to do something first and best.
- ☞ The remarkable minority are irreplaceable.

10. ROLES AND RESPONSIBILITIES

The Executive: Operations is responsible for monitoring the implementation of the policy.

Human Resource is responsible for the monitoring and compliance of the Reward and Remuneration Policy and Employees in breach of this policy will be dealt with in terms of the disciplinary procedures as applicable.

11. VERSION CONTROL

Author	Revision
Executive: Operations: Ms Marizanne Burger	22/05/2018