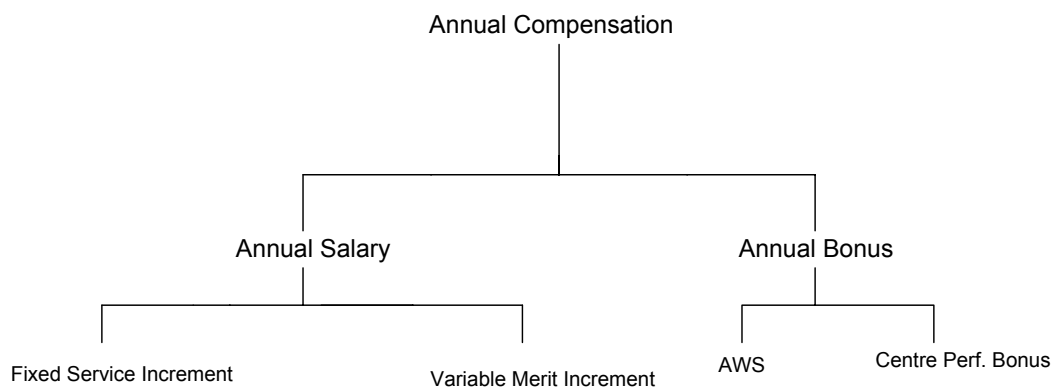


COMPENSATION PACKAGE

1. Objectives

- ❑ To attract, retain and motivate competent personnel by administering a fair and uniformed salary policy that commensurate with experience and qualifications of employees and consistent with the external labour market.
- ❑ To create a balance between the rewards for individual and organizational performance, thus creating a contingent or variable element in the annual compensation package.
- ❑ To recognize years of service and loyalty to the organisation by adding a fixed annual service increment in the salary package.

2. Elements of the New Compensation Package



□ Fixed Service Increment

Each staff will get a fixed service increment based on the salary scale that they are presently at. The rationale behind the fixed scale is to recognize and reward staff for their years of service and loyalty to the organisation. It will be automatic and not related to individual performance and will make up a portion of the total increment.

□ Merit Increment

Merit increment will be given depending on the performance of the individual staff. It will be remainder portion of the total increment. The rationale behind the merit portion of the increment is to reward good workers, thus motivating them to work even harder. At the same time, it sends a message to the non-performing workers to improve on their work performance. Good individual performance will lead ultimately to improved center and organizational performance.

The merit increment portion needs to be tied closely to the performance appraisal process.

□ Annual Wage Supplement

Annual Wage Supplement (AWS) or what is more commonly known as the 13-month bonus will be paid depending on profitability and performance of PPA. The quantum will be a maximum of one month's pay.

□ Center Performance Bonus

Staff will be paid a further bonus *depending on the profitability* of PPA as a whole. The disbursement of the bonus will depend on the performance of the *individual centers*. Such team or center-based bonus is targeted at increasing employee involvement in the centers, thus increasing their level of motivation and job satisfaction. At the same time, good performance by the centers will result in a good overall showing by PPA as a whole.

3. Salary Scale and Structure

Grade	Job Designation	Minimum	Maximum
M1	Center Managers/ Finance Manager	\$1680	\$5040
T1	Teacher Grade I (University Graduate)	\$1485	\$4455
T2	Teacher Grade II (Thanawi Aa'li/Diploma)	\$1010	\$3030
T3	Teacher Grade III (Thanawi 4)	\$850	\$2550
A1	Accounts/Admin Officer	\$1010	\$3030

- New Senior Teachers (appointed after 1 Aug 00) will be given an allowance of \$140 for their appointment and not put on a new salary grade. They will cease to receive such allowance upon stepping down from their appointment.
- Existing Senior Teachers (appointed before 1 Aug 00) will retain their current salary grade and level. If they step down from the position, their monthly salary will be reduced by \$140.
- New Accounts/Admin Officers with higher than 'O' level qualifications or years of experience will be awarded an increase in starting salary. The premium granted will

be at the discretion of the Center Managers but capped at a 2 times benchmark salary increment (please see Section 4 for benchmark level of increment).

- Cleaners are to be considered as part-time/contract staff, and will be paid a sum of \$5 per hour.

4. Salary Increment Table

Total salary increment will be in the form of:

Fixed Increment + Merit Increment

The Benchmark increment position will be the equivalent of a “good” grading in the performance appraisal.

Table 4.1: Basic Wages (Grade M1)

Basic Wage	Annual Increment				
	Excellent	Good (Benchmark)	Average	Marginal	Unsatisfactory
\$1680 to \$4104	\$80 + \$96	\$80 + \$80	\$80 + \$70	\$80 + \$50	\$80+\$0
\$4105 to \$5030	\$92 + \$112	\$92 + \$93	\$92 + \$83	\$92 + \$63	\$92 + \$0

Table 4.2: Basic Wages (Grade T1)

Basic Wage	Annual Increment				
	Excellent	Good (Benchmark)	Average	Marginal	Unsatisfactory
\$1485 to \$1849	\$57 + \$70	\$57 + \$58	\$57 + \$48	\$57 + \$28	\$57 + \$0
\$1850 to \$2890	\$65 + \$78	\$65 + \$65	\$65 + \$55	\$65 + \$35	\$65 + \$0

Table 4.3: Basic Wages (Grade T2)

Basic Wage	Annual Increment				
	Excellent	Good (Bench mark)	Average	Marginal	Unsatisfactory
\$1010 to \$1474	\$35 + \$42	\$35 + \$35	\$35 + \$25	\$35 + \$15	\$35 + \$0
\$1475 to \$2019	\$45 + \$54	\$45 + \$45	\$45 + \$35	\$45 + \$25	\$45 + \$0
\$2020 to \$3840	\$60 + \$72	\$60 + \$60	\$60 + \$50	\$60 + \$30	\$60 + \$0

Table 4.3: Basic Wages (Grade T3)

Basic Wage	Annual Increment				
	Excellent	Good (Bench mark)	Average	Marginal	Unsatisfactory
\$850 to \$1474	\$35 + \$42	\$35 + \$35	\$35 + \$25	\$35 + \$15	\$35 + \$0
\$1475 to \$2019	\$45 + \$54	\$45 + \$45	\$45 + \$35	\$45 + \$25	\$45 + \$0
\$2020 to \$3100	\$60 + \$72	\$60 + \$60	\$60 + \$50	\$60 + \$30	\$60 + \$0

Table 4.4: Basic Wages (Grade A1)

Basic Wage	Annual Increment				
	Excellent	Good (Bench mark)	Average	Marginal	Unsatisfactory
\$1010 to \$1474	\$35 + \$42	\$35 + \$35	\$35 + \$25	\$35 + \$15	\$35 + \$0
\$1475 to \$2019	\$45 + \$54	\$45 + \$45	\$45 + \$35	\$45 + \$25	\$45 + \$0
\$2020 to \$3840	\$60 + \$72	\$60 + \$60	\$60 + \$50	\$60 + \$30	\$60 + \$0

5. Employees under probation

Employees under probation will start with a salary which is *one fixed increment* lower than the pay that they are supposed to be receiving. Once confirmed, his/her salary will be adjusted upwards accordingly.

E.g. A new graduate teacher who should be getting \$1485 will instead receive \$1428 (a reduction of \$57). Upon confirmation, his/her pay will be adjusted to \$1485

6. Note

Pusat Pendidikan Andalus may adopt the above compensation package, or suit it to meet their business needs. The business and social environment is constantly evolving at a fast pace, especially with the advent of new technology and the knowledge-based economy. Increased competition may also affect the competitive environment of the organisation. Thus, with such factors in mind, the compensation package has to be reviewed at least annually, in order to maintain competitiveness and to attract quality human resources.