



Goodbye to all that...

Last week's Newsmail Now "A new approach to pay in AXA Insurance" was something of a bolt out of the blue for many employees and the lack of detail and rationale around the changes caused widespread confusion for many managers, team leaders and staff. The release of the Newsmail to staff also caught us out, not least because we had been advised that whilst managers would be advised of the changes in advance, the announcement to staff would be on 25th January. This would allow the company and union to release simultaneous communications. Unfortunately somebody dropped the ball...

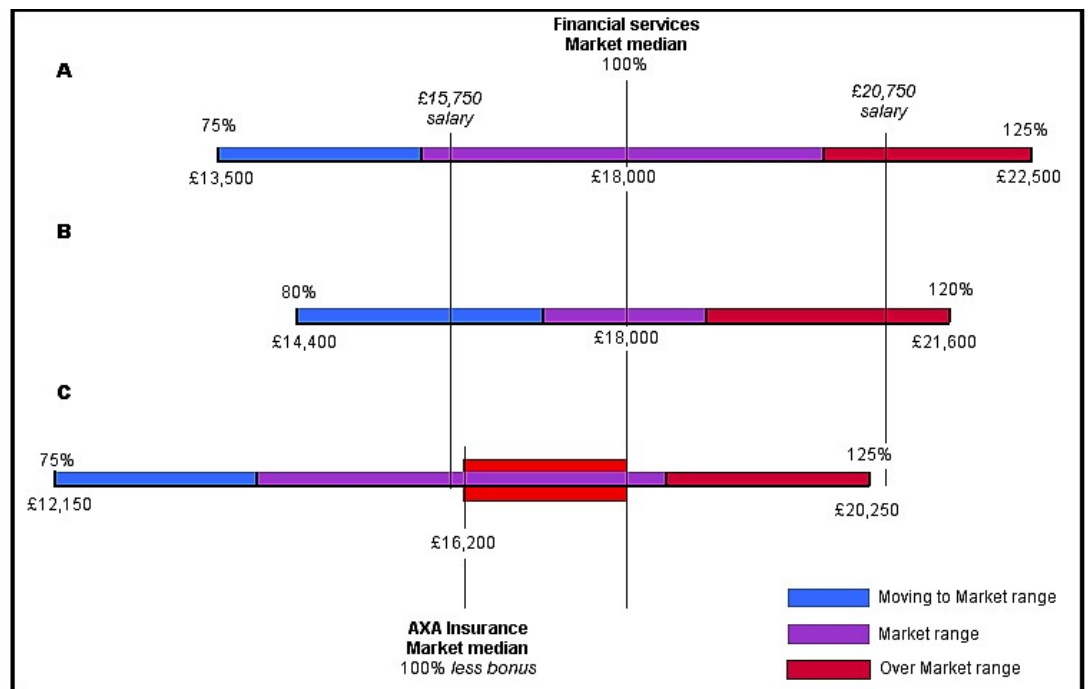
The good news is that Devolved Pay is no more. Amicus has incessantly campaigned against this ridiculous reward system from the day it was proposed. We said it wouldn't work, that it was too bureaucratic and presented a risk of equal pay claims due to poor monitoring. Despite a desire for managers to spread pay awards throughout the year, the reality of the situation was around 90% of pay rises still occurred on the traditional annual review date of 1st April. We will now see AXAI return to the normality of the annual pay award matrix which worked fine up to 2004.

Another major problem in AXAI was the 200 pay scales that caused managers, team leaders and staff countless headaches, with contradictory documents all over the place, This had resulted in 278 staff actually being paid **BELOW** their grade minimum (this has now been rectified). The switch to the Financial Services pay scale for most staff will remove the confusion and allow everyone to have a clear picture of what they earn, their position on the pay scale and what they can earn.

The switch to the 80-120% pay scale from the existing 75-125% has left many people baffled but is of benefit to hundreds of staff as the pay scale minimum will increase. The graph opposite illustrates the change with **A** showing a 75-125% span on an example salary of £18,000 and **B** the 80-120%.

Normally this would also mean a reduction in potential future earning, but the AXAI situation was previously further confused by reducing the median to include the annual bonus (anything up to 10%), so for the vast majority of employees these changes are a big win.

The other gain is that with over 60% of AXAI staff in the Moving to Market range, the use of the annual review matrix will see these staff get bigger % rises.



Skills Ladders... RIP

We have also welcomed the removal of the link between Skills Ladders and pay rises. Despite the good intentions behind the concept, it has not been working well in the majority of sites and in the last pay talks only 32% had advanced a ladder level and got a pay rise. As most levels should only take a year to progress through, it was expected this would be nearer 80%.

Staff working on ladders at present will be given time to complete them, but the good news is that everyone in the Skills Ladders population will now be included in the annual pay review this year.

Overtime harmonisation

As part of the deal to get these largely beneficial changes for staff, the company insisted on harmonising the 6 different overtime rates in AXAI. Whilst 997 staff have seen their Saturday rate reduced to 1.5X, 2,353 have seen an improvement in their minimum rates. The fact remains that the new rate is the minimum and local management can increase it if required.