

The MHR Remuneration Service

Your complete on-line Remuneration Database

Background

The MHR Remuneration Service is an innovative on-line compensation and benefits database which brings together authoritative pay information for hundreds of job titles across commerce and industry in seleted markets.

Using this, authorised users involved in pay setting processes can log on to one website, select a job from a detailed list of positions and quickly generate accurate compensation reports that are tailored to the role in a matter of minutes.

MHR technology

By delivering information direct to desk-tops, this leading-edge tool allows you to benchmark remuneration levels against like industries and develop intelligent packages that are competitive and cost effective.

Data is available through a series of on-line and downloadable reports, which allow users to rapidly focus on the specific data relevant to a particular need, rather than spend time attempting to extract the data from a traditional printed report.

The following pages set out examples of some of the most commonly used reports available within the MHR Remuneration Service.



Navigation and Report Generation

By clicking on Reports analysis, you can view each of the report types available.

For example, if you want to know the remuneration and benefits rates for a specific position, you can select a position, then generate an *Individual Position Data* report.

The screenshot alongside shows the navigation screen to generate this report. Generation of other reports follows a very similar process.

Market Position Report

This report is available under the Client Specific Reports option of the Reports analysis menu.

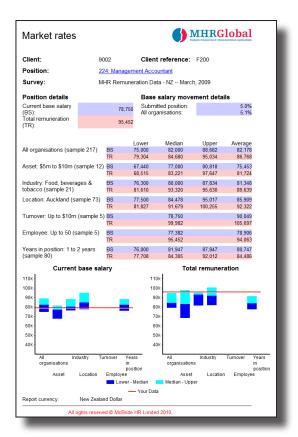
This report provides you with feedback on each of the positions for which you submitted data. For each record submitted the report shows:

- Quartile analysis of Base Salary, Total Remuneration and Total Cost for each of the Market comparison groups:
 - Asset Value
 - Location
 - Annual Turnover
 - Staff Numbers
- A simple bar graph providing a visual comparison of your current market position.

Note that this report is available only for those roles for which you have submitted data; it cannot be generated for positions for which you have submitted no data.

You will get the most out of your survey membership by ensuring that you submit as many individual records as possible for analysis in the survey.





Pay Practice Analysis Report

This report is also available under the *Client Specific Reports* option of the Reports analysis menu.

The report gives you an overall view of your current remuneration practice, by comparing each of your records with the current market rates for selected markets.

The report shows:

- Your current Base Salary and Total Remuneration for each record submitted (the green columns)
- Market Base Salary and Total Remuneration for the selected comparison group:
 - The sample shown is for the Market Median
- A Compa Ratio for each record showing how the current practice relate to the chosen market:
 - A ratio below 100 shows that your current practice is below that of the chosen market
 - A ratio above 100 shows you pay more generously than the market.
- At the foot of the report three Consistency measures:
 - An average Compa Ratio for Base Salary and Total Remuneration
 - A measure of how consistent your current practice is relative to the organisation average
 - A similar measure of consistency with the chosen market.

This report can be used to compare your practice against any of the market comparison groups available.

Note that this report is also provided only for those positions for which you have contributed data.

Pay practice analysis



Survey: MHR Remuneration Data - NZ -- March, 2009

Functional job family: All functional groups

Market comparison

All organisations

class:

Remuneration measure legend		Remuneration ageing factor		
BS	Current base salary	0% *		
TR	Total remuneration	0% *		

^{*} Remuneration ageing applied to both market and client data

	Client		Market (Median)		Compa ratio	
Position	BS TR BS TR		TR	BS	TR	
2: Chief Executive B (M1)	201,075	286,372	203,293	263,166	98.9	108.8
23: Senior Executive - Finance & Administration (M2)	131,250	163,197	150,000	182,384	87.5	89.5
50: Senior Executive - Operations/Manufacturing (M300)	126,000	160,650	150,000	182,066	84.0	88.2
103: National Sales Manager (S230)	117,600	154,110	111,420	146,301	105.5	105.3
152: Product Manager (S202)	69,325	96,304	74,760	90,460	92.7	106.5
224: Management Accountant (F200)	78,750	95,452	82,000	84,680	96.0	112.7
303: Human Resources Manager (H320)	94,500	119,368	100,690	106,805	93.9	111.8
403: Purchasing Manager (S221)	84,000	104,561	85,245	95,738	98.5	109.2
512: Production Manager (P806)	81,900	106,669	87,316	99,830	93.8	106.9
711: Administration Officer - Level 1 (A568)	37,138	59,978	41,185	42,000	90.2	142.8
803: Information Services Manager (1765)	94,500	105,410	102,923	111,500	91.8	94.5
1023: Technical Support Specialist - Level 2 (T445)	63,000	70,506	67,000	77,420	94.0	91.1
1110: Manager - Small Branch (S232)	67,785	96,145	71,490	85,725	94.8	112.2
Average compa-ratio:					94.0	106.1
Consistency within organisation:						0.62
Consistency within market:					0.85	0.54

Interpreting the survey results

The "compa ratio" measures the relationship between your payments and the selected market

- . If it is above 100.0% it means you pay more than the market
- . If it is below 100.0% you are paying less than the market

"Consistency within organisation" measures the proportion of individual records within \pm 10.0 percent of the Average Compa Ratio

. Ideally this figure should be 50.0 or greater

"Consistency within market" identifies the percentage of your records which lie in the range of 90.0 to 110.0 percent of the selected market rates

Report currency: New Zealand Dollar

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Select a Market Comparison Report

This report is available under the General Survey Reports option of the Reports analysis menu.

This report provides you with Quartile data on each of the Market Comparison groups used in the survey.

The report shows:

- Quartile analysis of Base Salary, Total Remuneration and Total Cost for each of the Market comparison groups:
 - All organisations (i.e, the national rates)
 - Asset Value
 - Location
 - Annual Turnover
 - Staff Numbers

The report can be used to provide data similar to that included in the Market Position Report, without the direct comparison with your own records.

The Select a Market Comparison report is available for all positions in the database, regardless of whether you have or have not submitted data.

Select a market comparison



Position: 705: Office Services Manager

Survey: MHR Remuneration Data - NZ -- September, 2009

Remuneration measure legend

BS Current base salary
TR Total remuneration

		Lower	Median	Upper	Average
All organisations (sample 154)	BS	52,735	59,279	66,571	61,123
	TR	54,510	63,001	68,793	63,650
Industry: Business & other	BS	57,920	64,250	65,236	62,308
services (sample 17)	TR	62,481	65,750	70,875	66,471
Location: Rest of North Island	BS	51,994	57,515	67,702	60,522
(sample 53)	TR	52,424	61,086	68,372	62,101
Turnover: \$20m to \$50m (sample	e BS	53,867	59,279	65,236	62,574
48)	TR	54,930	63,293	69,347	65,180
Employee: 150 to 299 (sample	BS	53,186	57,978	63,626	58,528
18)	TR	54,810	59,625	65,220	59,938

Report currency: New Zealand Dollar

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Indicative Pay Ranges Report

One of the most frequently used reports in the MHR Remuneration Service is the *Indicative Pay Ranges Report*.

Using this report you can generate indicative pay ranges for any survey position, taking account of the characteristics of your organisation, without the need for complex job evaluation or job analysis processes.

This report is available under the Customised Survey Reports option of the Reports analysis menu.

The report allows you to select a position, and specific comparison groups, and generates a report which:

- Provides the selected quartile figures for each comparison group:
 - Asset Value
 - Location
 - Annual Turnover
 - Staff Numbers
- Uses this to calculate an indicative remuneration range, within which remuneration for the role will typically fall
- Identifies the typical benefits provided in such a role

The Advanced Options can be used to select a different comparison point within the market (i.e. Upper quartile rather than the default Median position, and change other parameters used in the report.

Indicative pay ranges



Position: 705: Office Services Manager

Survey: MHR Remuneration Data - NZ -- September, 2009

Chosen market position: Median

Remuneration ageing

factor:

BS - 0% TR - 0%

	Current base salary Total remuneration			uneration	
Market comparison classes	Median	Average	Median	Average	* Wtg
Industry: Business & other services (sample 17)	64,250	62,308	65,750	66,471	1
Location: Rest of North Island (sample 53)	57,515	60,522	61,086	62,101	1
Turnover: \$20m to \$50m (sample 48)	59,279	62,574	63,293	65,180	1
Employee: 150 to 299 (sample 18)	57,978	58,528	59,625	59,938	1
Recommendation	59,756	60,983	62,438	63,423	

^{*} Weighting Factor. Different weighting factors can be applied using the advanced version of this report.

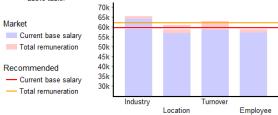
Recommended Ranges	Current base salary	Total remuneration		
Minimum (90.0%)	53,800	56,200		
Midpoint (100.0%)	59,800	62,400		
Maximum (110.0%)	65,700	68,700		

The remuneration ranges shown above are indicative only. We accept no liability for remuneration decisions based on these ranges without prior consultation with a member of our remuneration consulting team.

	Percentag	e of Midpoint			
Typical Benefits (sample 154)	Excluding tax		% Receiving	hase	otal
KiwiSaver Employer Contribution	3	3	29.9%	0.0%	0.0%
Superannuation	2,912	3,872	33.1%	4.9%	4.7%
Additional Annual Leave			35.1%	%	%

Benefit threshold (%): 25.0

Note: Only benefits where the percentage receiving is greater than the benefit threshold are shown in the



The bars in the graph show the remuneration values across the market comparison categories. The overlay lines show the recommended values.

Report currency: New Zealand Dollar

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Key features of the MHR Remuneration Data Service (MHR RemData)

- Authorised users have access to information on a wide range of positions across all major occupational groups
- The survey is clearly established as an authoritative reference point for salary information
- Authorised users have access to the data online whenever they need it
- Users are able to generate a detailed range of reports direct from the data
- The database includes job matching for ia wide range of different positions
- All data is updated regularly, at least annually, and in many cases twice annually.

But do not just take our word for it. We invite you to view the new online system capability yourself.

Expert advice

In addition to receiving comprehensive written reports and individual client reports, clinets have access to expert advice on survey interpretation, remuneration packages and remuneration strategy.

Our services include:

- Remuneration Strategy and Structures
- Job Evaluation services:
 - JE Leader Online, innovative online job evaluation system
- Performance Management advice and systems
 - Appraisal-Smart, online Performance Management system

For more detailed information on these additional MHR services, please visit our web site at www.mhr-global.com, or contact us at the address below.

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