

# Paydata Reward Strategy and Design Pay Structure Development



Nuffield Health offers 31 independent hospitals, 112 fitness and wellbeing clubs and many corporate locations and medical centres across the UK. Nuffield Health employs around 16,000 employees and wanted to introduce structure and consistency in their pay framework.

## **THE ISSUE**

Nuffield Health's business strategy aimed to introduce a consistent approach, creating one culture across their nationwide sites.

As part of this, they wanted to agree a consistent approach to setting clinical pay levels throughout the organisation. Nuffield Health wanted to utilise their newly implemented job evaluation system by attaching appropriate pay scales to clinical job families across the organisation.

Nuffield Health required consultancy support to create a framework that could be used to:

- 1. Provide a consistent and equitable pay framework organisation-wide.
- 2. Attract and retain with a competitive reward package in the market.
- 3. Illustrate how jobs relate to each other across the business.

### **OUR SOLUTION**

Paydata provided reward consultancy services in order to reduce Nuffield Health's time and resources that they dedicated to managing pay and create a competitive pay framework.

We reviewed Nuffield Health's pay policy and made evidencebased recommendations in relation to:

- Regional pay;
- · Market alignment in pay scales; and
- How to manage pay progression and pay decisions via the pay bands.

Recruitment and retention is a key issue facing the industry as a whole, with 100 per cent of respondents from the Health-care sector anticipating difficulties in recruiting people in the coming 12 months according to our UK Reward Management Survey Spring 2019. Competitive pay scales that ensured jobs were matched to the appropriate market data, with reference to a number of sources, are a key tool in addressing these recruitment and retention challenges.



#### **HOW IT WORKED**

# 1. Understanding the current job descriptions and reward practices in place

After an initial day spent onsite, we made sure that we understood the current pay policies and gathered feedback directly from managers with one to one interviews and workshops. This research, in addition to setting the existing pay practices in the context of their business strategy and vision for the future, enabled Paydata to agree the design principles up front, which became the foundations for guiding our recommendations on where to place the median and the range of payment in each pay scale.

### 2. Acting as an extension of the HR team

Together with the reward team at Nuffield Health, we co-created and refined the draft pay policy and clinical salary scales; we also provided guidance on how to set and manage pay across the organisation. The Nuffield Health reward team then rolled out the clinical salary scales in a pilot across eight sites, training Nuffield Health hospital directors and matrons in how to use these pay structures. Feedback was later collected in relation to how the pay zones worked in practice and particular recruitment and retention pressures that the scales needed to accommodate. Paydata has supported Nuffield Health in making these necessary adjustments and ensured the system can flex where appropriate to be an effective tool in managing employee turnover.

### 3. Developing salary scales across the grades

Following their pilot across hospitals, where adaptations were accordingly made to ensure the system was fit for purpose, the new pay policy has been presented to the management teams in other hospital sites directly, including HR consultants and the recruitment team. The pay framework is now used as a reference tool across Nuffield Health hospital sites and reflects pay levels drawn from a number of data sources in the market. The scales have been driven commercially, with key insights shared at every stage by managers using the new pay system. For instance, managers needed to make adjustments to account for the acute shortages being experienced in particular areas, such as specialist nurses and theatre staff. The pay scales have enabled adjustments to be made where necessary to help attract key roles.



Paydata understood where we were coming from and what we wanted to achieve from the outset. The clinical pay ranges that Paydata helped us to develop have started to introduce more structure around pay decisions for the company, providing managers with greater access to pay information and a management tool to make informed decisions. Paydata was very responsive and very adaptable throughout. We are really happy with the outcome and how it worked."

### **BEATA SUMTALLEE**

Reward Manager Nuffield Health

### **OUTCOME**

Nuffield Health is now equipped with a consistent and equitable framework that supports them in addressing the recruitment and retention issues that the sector faces. With Brexit remaining an unknown, general talent shortages need to be overcome with effective tools to attract and retain key roles.

The pay framework provides a crucial point of reference to benchmark roles against wider market pay. The extensive testing carried out by the organisation ensures that the pay scales truly represent the market, with Nuffield Health listening directly to their managers during its implementation and making the necessary adjustments to ensure the system works in practice.

Nuffield Health has focused on clinical job families in hospitals as a starting point for all employees to be remunerated competitively within defined salary scales. The framework empowers managers to make informed and cost-effective pay decisions to motivate and attract the talent they need nationwide. By ensuring that pay is true to the market, the HR team can manage their pay budgets more cost-effectively and with more certainty.

To discuss how we can help with your needs, please contact us on

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