

The International Pay Calculator

Introduction

At the LMD Development day held in Stirling during October 2016 Andy Wright from Portsmouth University demonstrated a calculator that could be used to determine international pay.

The calculator generated some interest amongst the attendees of the event and subsequently Andy approached ECC and offered to share the calculator with other ECC Members. Andy developed the calculator in his own time and the intellectual property lies with him. The suggestion was put to the ECC Team who agreed that we should accept Andy's offer.

A subsequent discussion with ECC's legal advisers suggested that a licence agreement between Andy (as the intellectual property owner) and ECC would be the best way forward.

What is the Calculator and why is it useful?

The calculator is designed to be used as part of discussions and decisions around remuneration. It can be used both for staff moving to work overseas and also for individuals coming to the UK.

The calculator uses a conversion rate known as Purchase Power Parity (PPP), which measures relative cost of living factor. It is generally regarded as being a better measure than a simple currency conversion. This is open source data available from the World Bank.

The other element of the calculator is the academic profile of the country being considered. So, for example in the case of the USA it notes that advertised salaries in the US cover a 9/10 month period rather than a full year. This is fairly static data so although it needs regular review the reality is that it is only likely to be updated every couple of years.

Why should we integrate this onto ECC Online?

The tool lends itself very neatly to being part of the relaunched LMD service and would be viewed by a number of members as adding value to the ECC product offering. ECC Online is proving to be a very much the "flagship" product that we had hoped and should be used whenever possible to support and underpin ECC services and product offerings.

The simple option would be to simply provide members with the spreadsheet that forms the basis of the calculator. However, this would require them to update the

data sources and insert relevant information on grading etc. in order to make best use of the tool.

By integrating into ECC Online it can be used alongside the system used for grading new roles and linked into the grade structure functionality. Ongoing maintenance of the tool can be undertaken by ECC staff or by Andy as the product owner at minimal cost.

The cost of the development work by DCSL to integrate this tool into ECC Online has been estimated at £8100 +vat. Some additional costs such as legal fees and travel expenses also need to be factored in but should not exceed £2500.

Andy's time to help with the oversight and development and testing will be given free of charge. It is also important to note that the work already undertaken by Andy in developing the project has cost us nothing. If we were developing this product from scratch, we would be looking at a cost at least double what we will potentially pay.

Our members are increasingly having to deal with secondments overseas and tell us that information to aid their decision making (similar to that provided by the calculator tool) is extremely expensive when obtained from companies such as Mercer.

The integration and launch of the calculator product can tie in with a number of 2016 -21 strategy strands but most obviously, Technology & Innovation. The use of a member developed product links with our vision of promoting and sharing learning and knowledge in the sector and similarly supports 'creating value through innovation' one of our ECC values.

We have received very positive feedback in relation to the LMD development day (so much so that a further 3 days are planned) and ECC Online itself, the addition of this product into the functionality would continue to build on this 'feel good' factor and keep ECC on the radar for members.

If we receive agreement to progress with this project our aim would be to have this in place by the end of the Summer, with a view to including this in the launch of the revised LMD package.

Susanne Bradley
Trudy Stedman