NOTES ON APPLICATION OF THE SOCIAL SERVICE SECTOR SALARY
GUIDELINES 2016

Basis of the Sector Salary Guidelines

MSF and NCSS jointly conduct a salary review for the social service sector via a benchmarking exercise every three years. The benchmarking is done by comparing the social service professions with the general industry. In between the reviews, guidelines for starting salaries and funding points are adjusted annually to reflect the general wage movement. The tri-annual reviews and annual adjustments aim to enable the sector to keep pace with shifts in the labour market, in both the public and private sectors, so that the sector will be able to attract and retain the right talent.

Application of the Salary Guidelines

The salary guidelines are published on the website of the Social Service Institute. There are three points mentioned in the guidelines: the starting salary, the reference point and the maximum point and/or salary range.

(i) **Starting Salary.** The starting salary is the point that should be paid to staff starting out at a particular grade and still gaining the competencies for the role within that grade. However, if the employee is assessed to have sufficient proficiency and the competencies for the role, they can be placed above the starting salary but within the salary range of the grade. For example, a new HR Executive with 2 years’ of relevant work experience should receive a higher wage than a fresh graduate with no relevant work experience.

The starting salary refers to the gross monthly salary, i.e. before the deduction of employee CPF contributions, personal and income tax. They do not include employer CPF. Every employer in the public and private sector is encouraged to recognise a male applicant for the time served in National Service (NS). Male employees who join the Civil Service on completion of full-time NS are given two-year salary increments in recognition of their contributions to national defence and to ensure that they do not lose out their contemporaries who did not serve NS. Social service organisations should also take this into account in computing appropriate starting salary for the staff.

(ii) **Reference Point.** The reference point is also the mid-point of the salary grade. The reference point is the salary point that is used for benchmarking with other professions in the general industry. Employees who are competent in the role for that grade should be placed within 10% of the reference point.

MSF funds social service organisations at the reference point plus employer CPF. For example, if the funding point is $4,000, organisations will be provided $4,000 + $680 (17% employer CPF) = $4,680. The funding point is also inclusive of a three-month annual bonus.

(iii) **Maximum Point and Salary Range.** Employees, who are highly competent, with the commensurate experience and expertise, should be placed above the reference point and up to the maximum point of the salary range. The salary range is meant to
accommodate the annual merit increments of employees as they gain experience and expertise in their role with time.

Competencies can be assessed using existing frameworks like the National Social Work Competency Framework (NSWCF) which serves as a guide on what it means to be competent at each level for social workers, or through the organisations expert opinion.

(iv) **Determining Competency of Staff for Determination of Salary Point.** The sector salary guidelines sent to the head of organisations’ (ED/CEO) gives some indication of the levels of expertise/competency required to help to determine placement of the staff to a specific salary point. Organisations can also refer to already established competency frameworks, like the National Social Work Competency Framework (NSWCF), to evaluate competency levels for the various salary grades. MSF is also currently looking at developing more skills frameworks, in particular for EIPIC Teachers and Psychologists, which can then be used in future as a reference. In the interim, organisations will have to rely on their own expertise to assess the candidates’ competency.

**Differences between Social Service Organisations**

The social service sector salary guidelines apply to all organisations in the sector and highlights what the market wage is for the different professions in the sector. However, organisations will invariably be at different stages of development, will also have to consider their financial position and long-term sustainability when determining employee remuneration. Based on this, each organisation will have to determine its remuneration policy and decide at the senior leadership level if they would want to lag the market, follow the market or lead the market. Some considerations for this remuneration policy include: the (1) financial health of the organisation, (2) the complexity of the services that it offers, and (3) the skill level of the staff required to deliver those services. In general, a higher remuneration point will be required to attract and retain staff with higher skill levels and who are harder to recruit and retain. If an organisation chooses to lag the market, they would risk not being able to attract the staff that they need.

**Decision for Remuneration Remains with the Organisation**

The sector salary guidelines serve as a reference to guide for organisations in compensation matters with the intention of enabling organisations to be competitive in attracting the people they need. However, depending on the assessed competency level of the candidate, and the unique circumstances of the organisation, each organisation has the flexibility of adjusting the guidelines to meet their needs. The organisation can also offer differentiating benefits or incentives, like professional development opportunities for example, as an alternative to remuneration.

NCSS hopes that the publication of the sector salary guidelines will guide organisations in developing their pay policy and allow you to remunerate staff appropriately to meet your staffing needs.