Annex I

Glossary of terms used in the methodology

Allowances

Compensation elements normally paid by an employer at regular intervals, in cash, in recognition of the particular circumstances of given groups of staff (see also benefits, conditions of service and salary).

Benchmark job

A survey job representing a specific occupation and grade level within the United Nations organization (see also job and job match).

Benefits

Compensation elements that may vary, both in value and in the timing of payment, based on criteria other than the direct relationship of work to pay. Benefits that are not normally cash payments may be subdivided into:

- (a) Quantifiable benefits, such as transportation allowances, meal vouchers, or free meals to which a value can be attributed. The value is normally attributed at the cost to the employer per employee;
- (b) Non-quantifiable benefits, which are those other items, such as leave, retirement benefits, disability insurance, life insurance, medical insurance schemes, etc., to which a value cannot easily be assigned and which therefore lend themselves only to a comparison by benefit provisions (see below).

Cost to the employer

The cost of providing a given benefit per staff member, usually expressed as an annual sum of money or as a percentage of salary based on the employer's cost per staff member taking into consideration any employer/employee cost-sharing formula.

Common classification of occupational groups

A listing of individual occupations that exist within the organizations of the common system, grouped into categories of work on the basis of similarity of functions.

Conditions of service

The sum total of salary, allowances and benefits, which are normally regarded as falling into three broad categories:
(a) Cash (i.e., salary and allowances); (b) Non-cash, quantifiable (quantifiable benefits); and (c) Non-cash, non-quantifiable (non-quantifiable benefits). These categories do not, however, include intangible work-related aspects such as security of tenure, career development and prospects for promotion.

11-31212 33

Coordinating agency The organization of the United Nations common system

designated by the United Nations System Chief Executives Board for Coordination (CEB) as being formally responsible for coordinating a salary survey at any given duty station

(see also responsible agency).

Economic sector A classification of economic activity based on the type of

products and services produced (see annex III).

Indexation A technique to adjust salary scales by means of an index or

combination of indices.

Inter-grade differential The difference between the salary level of one grade and the

next higher grade. Usually expressed as a percentage at the

entry step of each grade.

Inter-step differential The difference between the salary level of one step in grade

and the next. Usually expressed as a percentage at the first

step of the grade.

Interview Unless expressly stated otherwise in the methodology, this

refers to the collection of information either by phone or in

person from an employer.

Job A group of positions that are identical with respect to their

major or significant tasks (see also job series and

occupational group).

Job match An external employer's job or set of jobs with equivalent

work content to a United Nations benchmark job (see above).

Job series Jobs with tasks similar in content progressing at different

grade levels.

Local salary survey committee A committee, chaired by the lead agency, with membership

representing the administrations and staff of the common system organizations located at a duty station. The local salary survey committee is responsible for conducting a salary survey at that duty station under the guidance of a survey specialist selected by the responsible agency.

Occupational group Several job series grouped in related broad types of work,

usually associated as occupations or professions.

Parastatal employers Employer organizations that are partially or wholly owned by

a Government. They should be considered under the "parastatal" public subsector only when the Government establishes the conditions of remuneration. Where the Government does not establish the conditions of remuneration, the employer should be considered under

"private".

34

Responsible agency

The headquarters of the organizations (currently the United Nations and the World Health Organization) with responsibility for the final determination of the local salary scale applicable at a given duty station other than at the headquarters duty stations.

Salary

A payment made at regular intervals, usually weekly or monthly that relates to compensation for the level and type of work performed. Salary is usually paid in the form of cash but may be partly non-cash, that is, paid "in kind".

Salary step (salary increment)

- (a) Regular step: a salary increment, within the same grade, received at periodic intervals based either on merit appraisal or on continuing service;
- (b) Longevity step: a salary increment, within the same grade and usually in the form of a fixed amount at each grade, not necessarily granted with the same periodicity as regular steps, which recognizes long service in a grade level.

Salary survey

A survey encompassing not only salaries and cash allowances, but also benefits and other conditions of service. A salary survey as used in the present document is also known as a "survey of best prevailing conditions of employment".

Salary survey specialist

A specialist experienced in salary survey techniques who is appointed by the ICSC secretariat or the responsible agency (see above) to lead a comprehensive salary survey at a given duty station.

Social benefit

A benefit that relates to the social welfare or family care of a staff member. Such a benefit may be related to salary levels (for example, pension) but is not direct compensation for work performed.

Weighting

An averaging technique that accounts for the relative impact of different-sized populations. It takes into account fully (simple weighted average) or partially (logarithmic weights) the importance of larger populations.

Workweek

The period, formally established by local law or the employer, for which employees in the local labour market must work to receive their basic salary. Usually expressed in hours per week, it should exclude breaks formally recognized through the personnel or compensation system (for example, lunch breaks), but should include rest periods of a non-formal nature (such as tea breaks) that are granted at the discretion of the employer.

11-31212 35