



Pivot Software helps New Zealand's largest general insurer enhance remuneration processes.



New Zealand's largest general insurance company

IAG New Zealand Limited is a wholly-owned subsidiary of Insurance Australia Group, and is the largest general insurer in New Zealand. IAG employs nearly 2000 staff throughout the country, servicing a network of eight call centres, 29 sales centres and 10 branches.

Trading under the State and NZI insurance brands, the company underwrites general insurance business for some of the country's leading financial institutions.

In 2007, IAG brand NZI won the Insurance Brokers Association of New Zealand's Insurer of the Year award.

Remuneration system upgrade required

Following the merger of State and NZI insurance, remuneration and bonus practices needed to be consolidated. Annual salary reviews were completed manually using spreadsheets, which often led to inaccuracies with data, payments and review timeframes.

IAG required an efficient and robust system that could handle the significant volume of annual salary reviews and bonus payments at a set time every year. Staff were previously reviewed throughout the year on their anniversary date, so this change was a move to more common practice. For Human Resource staff this change meant a significant increase in workload during the salary review period.

To ease the transition into this new review practice, IAG wanted a system that would help HR staff to efficiently process this large increase in remuneration reviews.

IAG were looking for a completely automated remuneration process that would allow more than 280 company managers to view their team's information, process payments and recommend new salary amounts online. They also required the ability to control the data and timeframes of remuneration and bonus reviews.

CLIENT:

IAG New Zealand Ltd, a leading insurer with nearly 2000 staff throughout the country

BUSINESS PROBLEM:

Consolidation of remuneration processes following the merger of its trading brands, State and NZI insurance

SOLUTION:

Pivot's Remuneration Ally solution to ensure clear and consistent remuneration and bonus processes across the company

RESULTS:

A more effective and time-efficient solution that allows managers more visibility of the remuneration and bonus process



"Remuneration Ally has enabled IAG to significantly improve the accuracy of payments to employees for their annual bonus payments and salary reviews. Our timeframes for these processes have been shortened by more than a month as a result of managers being able to complete the process online. Remuneration Ally enables managers to utilise their remuneration review budget effectively."

Anna Sefuiva

Manager Workforce Solutions



Want to
know more?

Email us today:
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Or visit our website:
www.pivot.net.nz

Seamless integration of remuneration processes using Remuneration Ally

Of paramount importance to IAG, was the ability of an automated system that could produce and distribute salary review and short term incentive (STI) payment letters electronically.

IAG opted for Pivot's Remuneration Ally solution to assist with both their annual remuneration review and bonus processes.

IAG's Manager of Workforce Solutions, Anna Sefuiva, says the system is easy to use and amalgamated well with other business processes, "Pivot is an easy system to administer, is very flexible in its design and managers find it easy to use. Pivot does not require our team to have any technical expertise in order to use the product".

IAG were also impressed by Remuneration Ally's capability to predict cost and/or model potential outcomes utilising a merit matrix model.

The company was able to customise Remuneration Ally to suit their specific needs, "We are easily able to deploy information to our managers via our intranet. It is flexible enough that we can make changes without complicating the process," adds Anna.

A professional and satisfying result

Implementing Remuneration Ally has meant that IAG requires less people to manage the company's annual salary reviews and bonus schemes. The company has not missed a deadline for delivering reviews to employees since Remuneration Ally was purchased two years ago. Anna comments, "Pivot has a very logical step-by-step process engine which ensured that we completed tasks in the correct order and on time".

"We now have an error rate of less than 1%. Managers are able to access the data and complete the reviews from anywhere in New Zealand. The production of 2000 letters is now fully automated through Remuneration Ally".

Remuneration Ally helped carefully manage IAG's remuneration budget, through the use of "traffic lights". This feature ensured that overspend signalled a red light which meant salary recommendations had to be sent approval.

IAG's positive feedback on Remuneration Ally has assisted Pivot in developing additional product features. Philippa Youngman, Pivot's Director, states "IAG have been very supportive of us in our development of a module to help with "out of cycle" pay changes, for use when staff are promoted or change positions. They have also been instrumental in the development of an employment agreement module that produces employment agreements when a person starts or moves to a new position".

About Pivot Software and Remuneration Ally

Pivot Software provides advice and software solutions that enable large organisations to improve the effectiveness of their remuneration processes. We are human resource professionals who understand how well-managed remuneration contributes to employee engagement.

Pivot's flagship Remuneration Ally solution is used by organisations in sectors like banking, insurance, utilities, retail and government to improve their control over the complex and often emotional process of remuneration. Utilising our software as a service means no need for corporate IT involvement or the installation of any special software.

*"Make the decisions regarding your people
and we will take it from there".*



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