



PROJECT FAIR



CASE STUDY: CAFOD

OVERVIEW OF THE ORGANISATION

Catholic Agency for Overseas Development (CAFOD) is an international development charity and the official aid agency of the Catholic Church in England and Wales. The organisation runs a variety of different projects in 50 countries mainly through partnerships, focusing on a range of activities from livelihoods, health, water, sanitation and emergency response. Apart from the head office in London, CAFOD operates four regional offices in the UK, as well as 13 overseas offices, mainly in Africa. The organisation employs 458 staff, largely in the UK. 167 staff are nationally contracted in one of the 13 offices, and up to 20 staff are on international contracts.

CAFOD
Just one world

DESCRIPTION OF THE REWARD SYSTEM

Until recently, CAFOD operated three distinct salary scales. One scale was dedicated for staff working in the UK. For overseas operations, CAFOD previously operated a national and an international salary scale, however, recently the organisation decided to discontinue the use of the international scale and instead have just one scale for UK and international staff and one scale for national staff.

International benefits have also been reviewed and reduced. Currently, international staff receive the same benefits as UK staff members. In addition, international staff receive a mobility package to support relocation, which amounts to 10% of base salary for unaccompanied employees, and 20% for accompanied employees. Another important benefit is education, which is separate from the mobility package, and is capped. The allowance is non-consolidated and paid in addition to the agreed annual salary for the purpose of providing compensation for costs related to relocation and maintaining one's self in the location of the post. The allowance is paid in intervals at the same time as monthly salary.

Where possible the organisation attempts to recruit nationally, and aims to minimise the number of staff on international contracts. While most international staff are on two or three year contracts, permanent international contracts also exist. International contracts need senior management authorisation and are only agreed if there is no likelihood of recruiting the right skills nationally.

During emergency response, CAFOD adheres to the principles set out in its Ethical Recruitment Statement which supports a commitment to the Charter4Change.



PROS AND CONS OF THE CURRENT SYSTEM

Positive aspects of the reward system in place at CAFOD are:

- ▶ Reducing the number of salary scales from three to two simplifies the reward system
- ▶ The organisation maintains a relatively small number of international staff, and aims to recruit nationally
- ▶ As a general principle, the organisation ensures all employees receive a living wage
- ▶ There is a mobility package for international staff to assist with relocation costs

CHALLENGES OF THE EXISTING SALARY SYSTEM INCLUDE:

- ▶ Though reduced, differences between international and national staff reward remain both in terms of salaries as well as benefits.
- ▶ Some concerns have been raised within CAFOD about the package for international employees not being competitive enough in the international job market.

REASONS FOR REVIEWING THE REWARD SYSTEM

CAFOD operates under the principles of fairness, solidarity and financial stewardship, and aims to strongly reflect these values in its reward system. In 2016 CAFOD reviewed its national salary structure and grading system, maintaining a general principle to pay the living wage to all its staff.

In terms of international salary scales, the organisation accepts that their international package may be less than other international NGO's. However, recruitment at CAFOD is facilitated by the shared values of the staff and the organisation.

Websites
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www.project-fair.org

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