



Refining Salaries to Address Retention Challenges

A Birches Group Case Study

The Organization

The International Potato Center, known by its Spanish acronym CIP, was founded in 1971 as a root and tuber research-for-development institution delivering sustainable solutions to the pressing world problems of hunger, poverty, and the degradation of natural resources. CIP is truly a global center, with headquarters in Lima, Peru and offices in 20 developing countries across Asia, Africa, and Latin America. Working closely with their partners, CIP seeks to achieve food security, increased well-being, and gender equity for poor people in the developing world. CIP furthers its mission through rigorous research, innovation in science and technology, and capacity strengthening regarding root and tuber farming and food systems.

CIP is one of fifteen centers that are part of the CGIAR Consortium, a global partnership that unites organizations engaged in research for a food secure future. CGIAR research is dedicated to reducing rural poverty, increasing food security, improving human health and nutrition, and ensuring more sustainable management of natural resources. Donors include individual countries, major foundations, and international entities.

<https://cipotato.org/>
<http://www.cgiar.org/>

The Challenge

The International Potato Center (CIP), like many organizations, were facing challenges in hiring key talent and retaining staff in many of their offices. While the issues faced in each country office differed from one another, there were locations that were considered extreme cases, such as China.

China's labor market was developing rapidly and CIP saw that their salaries needed to move just as fast. Because their previous salary scale was significantly behind the market, CIP had a difficult time holding on to their staff.

Similarly, retention was also the issue for CIP's Mozambique country office. Due to the country's recent hyperinflation, CIP's salary scale was well behind market; it was considered invalid for practical purposes.

Overall, CIP was determined to make sure that the organization had the instruments to attract and retain talent. Having their salary scales updated was crucial in not only keeping their staff, but also making sure they close the gap between the market and their salaries.

The Journey

CIP has been participating as a Sustaining Partner in both the Birches Group multisector and NGO Local Pay salary surveys in all its locations. In many CIP country offices, the issue of rewards has been raised, motivating the head office to examine CIP's market position.

CIP was committed to review their salaries regularly and sees the value of the Birches Group salary surveys to maintain the information that they have on hand in order to reward talent properly. However, they recognized that the salary scales for some of their country offices needed further refinement, and this was the driver for CIP to finally look for a solution.

The Solution

CIP had chosen Birches Group as their partner for a salary scale design project that would enhance the salaries for 20 of their country offices. While CIP also participates in other salary surveys, by choosing Birches Group, CIP is aligned with other CGIAR organizations, all of which participate globally.

CIP knew that Birches Group has the solid expertise and a good understanding of the NGO business and the various CG centers. Since Birches Group also did work for the CG centers for international staff, CIP expected that Birches Group would provide a solution that would align well with their approach for international staff, and also challenge the existing approach, advocating a more progressive way of thinking.

“We see Birches Group as our strategic partners - more than just a consultant. It’s not just about the numbers, there’s a conversation behind it.”

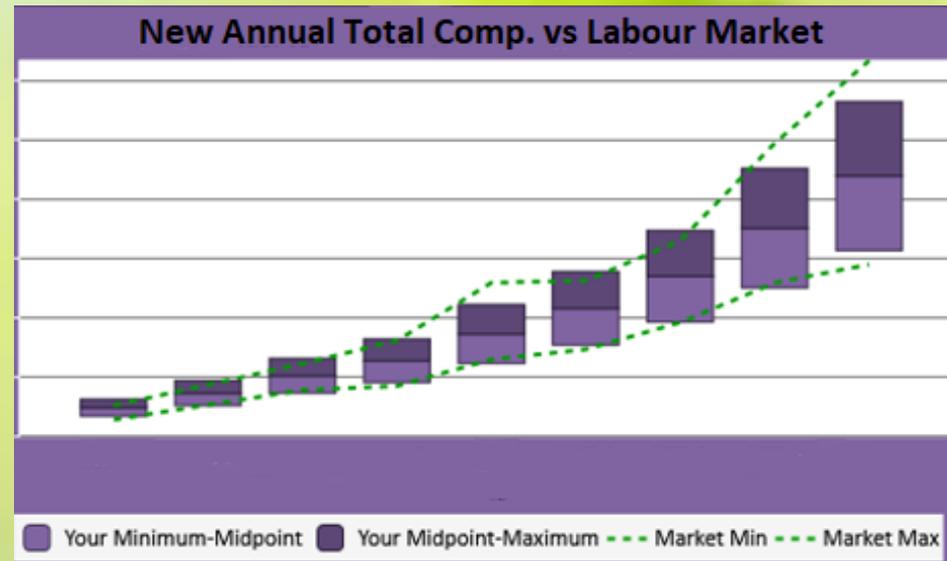
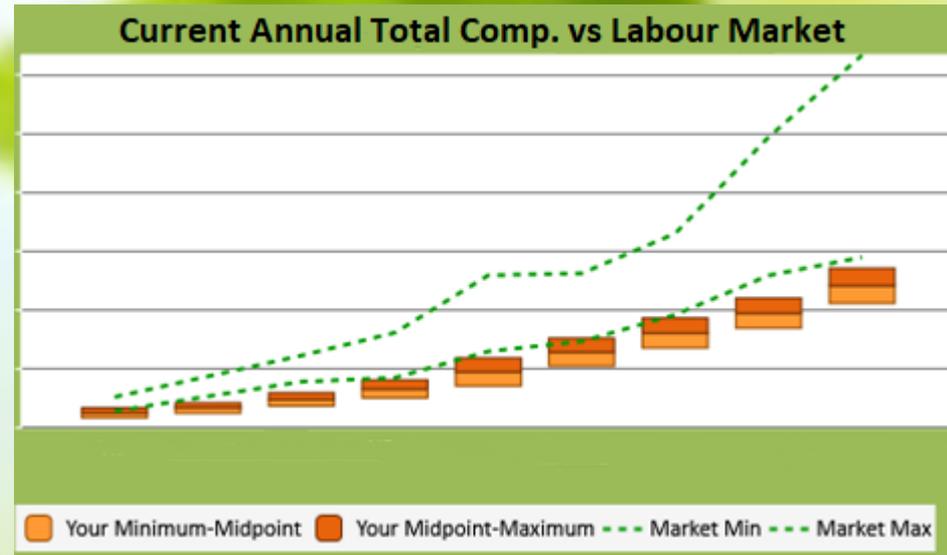
– Carla Lazarte, Head of People and Organizational Development, International Potato Center

This project would tap into Birches Group’s expertise in applying data in the context of the organization’s specific needs. This salary scale design project was created and led by CIP’s executive management committee and Birches Group’s specialists.

First, Birches Group consulted with CIP about their current salary scales and how they measure up against the labor market in each of their locations. Then, they identified target comparators for each country to be included in the analysis.

Birches Group then developed three different salary scale options for each country and presented them to CIP management for consideration. The executive management committee selected the most suitable scale, the one that fit best with the organization’s compensation philosophy and objectives. As soon as the salary scales were approved by CIP’s executive management, the scales were communicated to Country Managers and other leaders, and guidance was provided to assist in understanding the methodology and process that was used.

Today, all CIP country offices have applied the recommended salary scale changes. Naturally, there were budget concerns once implementation started taking effect. But ultimately, CIP realized that an increase was needed for full implementation.



The Results

The salary scale design project with CIP was successful. Below are some of the results of the project:

- The salary scale design project allowed CIP to identify which locations needed more attention, highlighting those that were significantly lagging the market and were having trouble retaining staff. Furthermore, the project also gave CIP the information need to truly target their salaries increases to the levels that needed the most attention.
- The project also enabled CIP to confidently validate and defend salaries to their staff following the results of the Birches Group salary surveys and further applying that data into the analysis.
- Following the scale design project, CIP's local HR staff and accountants are now more confident in hiring and negotiating salaries with key talent.

In the years that CIP has been working with Birches Group, they attest to the expertise that Birches Group consistently provides its clients to ensure continuous guidance, partnership and learning.

After completing the salary scale design project with CIP, the organization's new salary scales are now one step closer to achieving their overall objective of being better employers. Since the project, CIP now has plans in place to further improve as an organization by designing policies on compensation and benefits to be applied to all offices, create an expat model, and a commitment to keep an eye on countries where the markets need close monitoring.

How Can Birches Group Assist You?

Birches Group consultants work with international development organizations on:

- Compensation and Benefits Surveys
- Compensation and Benefits Policy Consulting
- Salary Scale Design
- Community™ Job Evaluation
- Community™ Skills and Competency Development
- Community™ Performance Management
- Expatriate Policy Development

Birches Group surveys are available in 156 high growth and developing countries. Birches Group also offer separate surveys for the international NGO and development community in over 85 markets.

For More Information

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