

	Subject:	<b>Policy on Differential Pay</b>
	Version No.	1.0
	Approval:	MD/CEO
	Reference:	
	Approval Date:	

## 1.0 INTRODUCTION

In line with Executive Management's unrelenting effort towards establishing a performance driven culture in BEDC, the differential salary scheme was introduced.

Under this scheme, the key parameter for measuring performance on commercial activities is **collection efficiency (CE)** attributable to assigned DTRS, Feeders and Zones. CE is the proportion of total collection to the total amount billed as shown below:

$$\text{Collection Efficiency} = \frac{\text{Total Collection}}{\text{Total Billed Amount}} \times 100\%$$

Staff members shall receive an additional pay aside the monthly salary upon attaining the performance criteria defined in this policy. To pre-qualify for differential pay, employees must achieve between 70% and 100% CE as depicted below (except for Key Account Executives):

S/N	Collection Efficiency (CE) Achieved	Percentage (%o) Differential Pay on Monthly Gross Salary
1	90% and above	50%
2	80-89	25%
3	70-79	10%o
4	Below 70	0%

## 2.0 ELIGIBILITY CRITERIA

The eligibility criteria for earning differential salary across all employee categories are defined as follows:

### 2.1 PRODUCT MANAGERS POST PAID/LT LINES WORKERS

The performance of Product Manager PostPaid shall be measured using the collection efficiency of all DTRs under their coverage while LT Lines workers shall be measured by the average collection efficiency of the DTRs assigned to him/her. This category of market facing staff are expected to record progressive growth in their collection efficiency; hence those whose collection efficiency remain static at the 70% - 79% and 80%- 89% performance category can only earn the respective 10% and 25% differential pay for a maximum of three months.

Consequently, a DSSO/LT Lines Worker earning 10% and 25% differential pay who fails to step up to the next performance level after three months will not qualify for subsequent differential pay and may be categorized as an under-performer.

The above statement is illustrated below:

<b>A</b>		<b>B</b>		<b>C</b>		<b>D</b>		<b>E</b>	
Month	C.E	Month	C.E	Month	C.E	Month	C.E	Month	C.E
1	70%	1	70%	1	82%	1	82%	1	82%
2	75%	2	75%	2	84%	2	84%	2	84%
3	72%	3	72%	3	84%	3	84%	3	84%
4	80%	4	79%	4	79%	4	87%	4	92%
<i>Qualified in</i>		<i>Not Qualified</i>		<i>Not Qualified in</i>		<i>Not Qualified in</i>		<i>Qualified</i>	
<i>Month 4</i>		<i>Month 4</i>		<i>Month 4</i>		<i>Month 4</i>		<i>Month 4</i>	

## 2.2 SUPPORT STAFF

Support staff members at the Feeder, Zone and Headquarter shall qualify for differential pay having met the following criteria:

### 2.2.1 Feeder Support Staff:

- A minimum of 70% average collection efficiency from DTRs within the feeder.
- The least performing DTR must not record less than 60% collection efficiency.

### 2.2.2 Zonal Support Staff:

- A minimum of 70% average collection from all feeders within the zone.
- The least performing feeder must not record less than 60% collection efficiency.

### 2.2.3 Head-Quarter Staff:

- A minimum of 70% average collection from all feeders within the zones.
- The least performing zone must not record less than 60% collection efficiency.

The above is illustrated in the table below:

#### DIFFERENTIAL PAY QUALIFICATION TABLE

<b>Scenario 1</b>		<b>Scenario 2</b>		<b>Scenario 3</b>		<b>Scenario 4</b>	
DTR/Feeder/Zone	C.E	DTR/Feeder/Zone	C.E	DTR/Feeder/Zone	C.E	DTR/Feeder/Zone	C.E
A	250.6%	A	250.6%	A	250.6%	A	250.0%
B	30.0%	B	30.0%	B	70.0%	B	80.0%
C	45.9%	C	50.0%	C	80.0%	C	70.0%
D	25.6%	D	25.6%	D	25.6%	D	60.0%
Average	88.03%	Average	89.05%	Average	106.5%	Average	115.0%
<b>Not Qualified</b>		<b>Not Qualified</b>		<b>Not Qualified</b>		<b>Qualified</b>	

Again, failure to step up in the collection efficiency as mapped to the differential pay cadre disqualifies staff members from earning the differential pay both at the individual and collective level i.e., an employee can only earn the 10% and 25% differential pay at each level for a maximum of three months and where the staff member/feeder/zone/headquarter fails to step up to the next cadre, the individual/group will not qualify for subsequent differential pay allocated to the achieved collection efficiency. Furthermore, such failure will be deemed unacceptable by Executive Management

### 2.3 KEY ACCOUNT EXECUTIVES

The eligibility criteria for differential pay for Key Account Executives are as shown below:

S/No	Collection Efficiency (CE) Achieved	Percentage (%) Differential Pay on Monthly Gross Salary
1	200% and above	50%
2	125% – 199%	25%
3	100% – 124%	10%
4	Below 100%	0%

Key Account Executives on Assistant Manager grade level and above who fail to achieve the minimum collection efficiency of 100% will be issued a final warning at the first instance.

All market facing staff (DTR Executives, LT line workers, Key Account Executives, Feeder Managers and Zonal Heads) that fail to earn the differential pay shall be construed as a misfit for the Disco and will be subject to the performance charter as contained in the Condition of Service.

### 3.0 CONCLUSION

In view of current market realities, the Company must continue to step up its performance to remain relevant and as a corporate going concern, and achieving this requires the collective effort and cooperation of all staff members.

It is hoped that the introduction of the scheme will entrench a performance driven culture as Executive Management is committed to rewarding performance.

Thank you.

Approval.....  
**Dr. Henry Ajagbawa-MD/CEO**