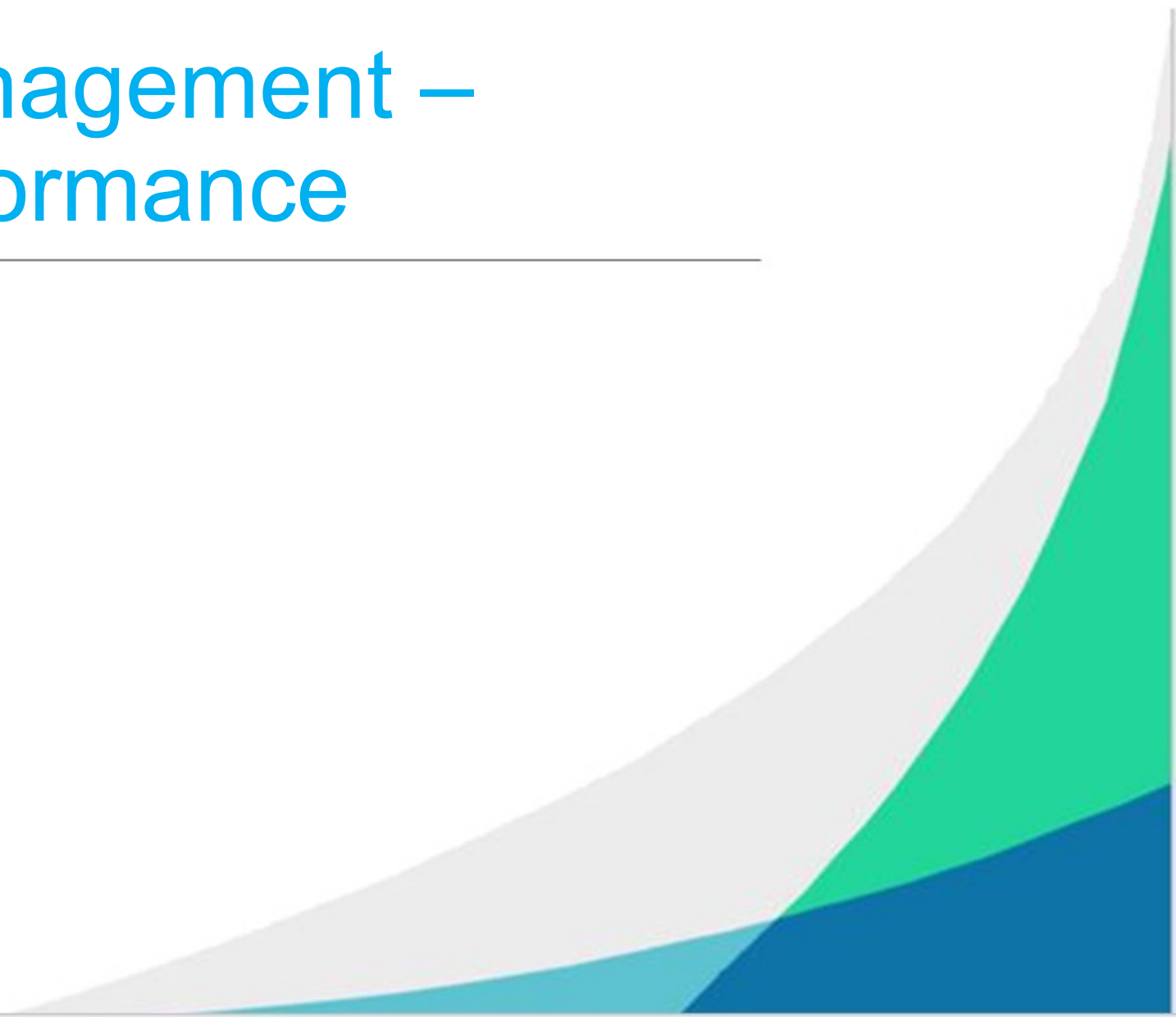
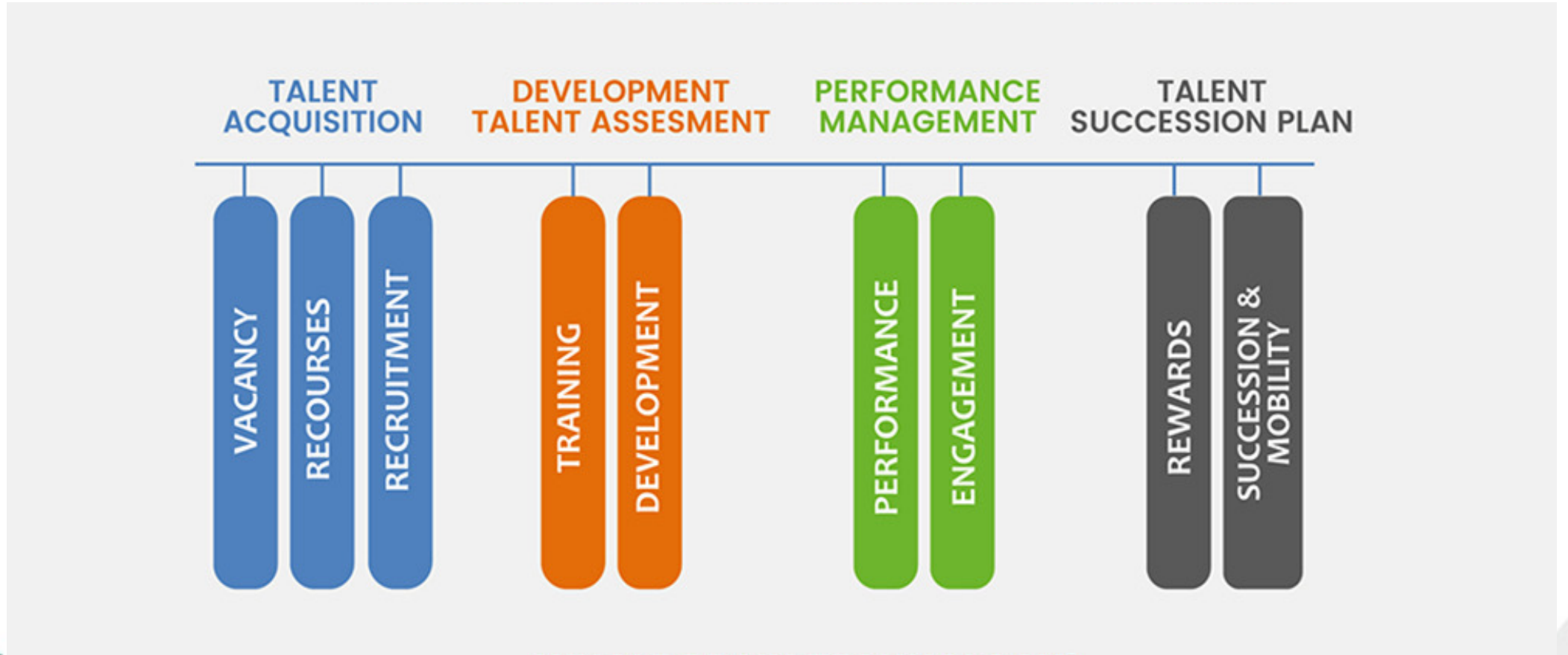




Reward Management – Driving Performance



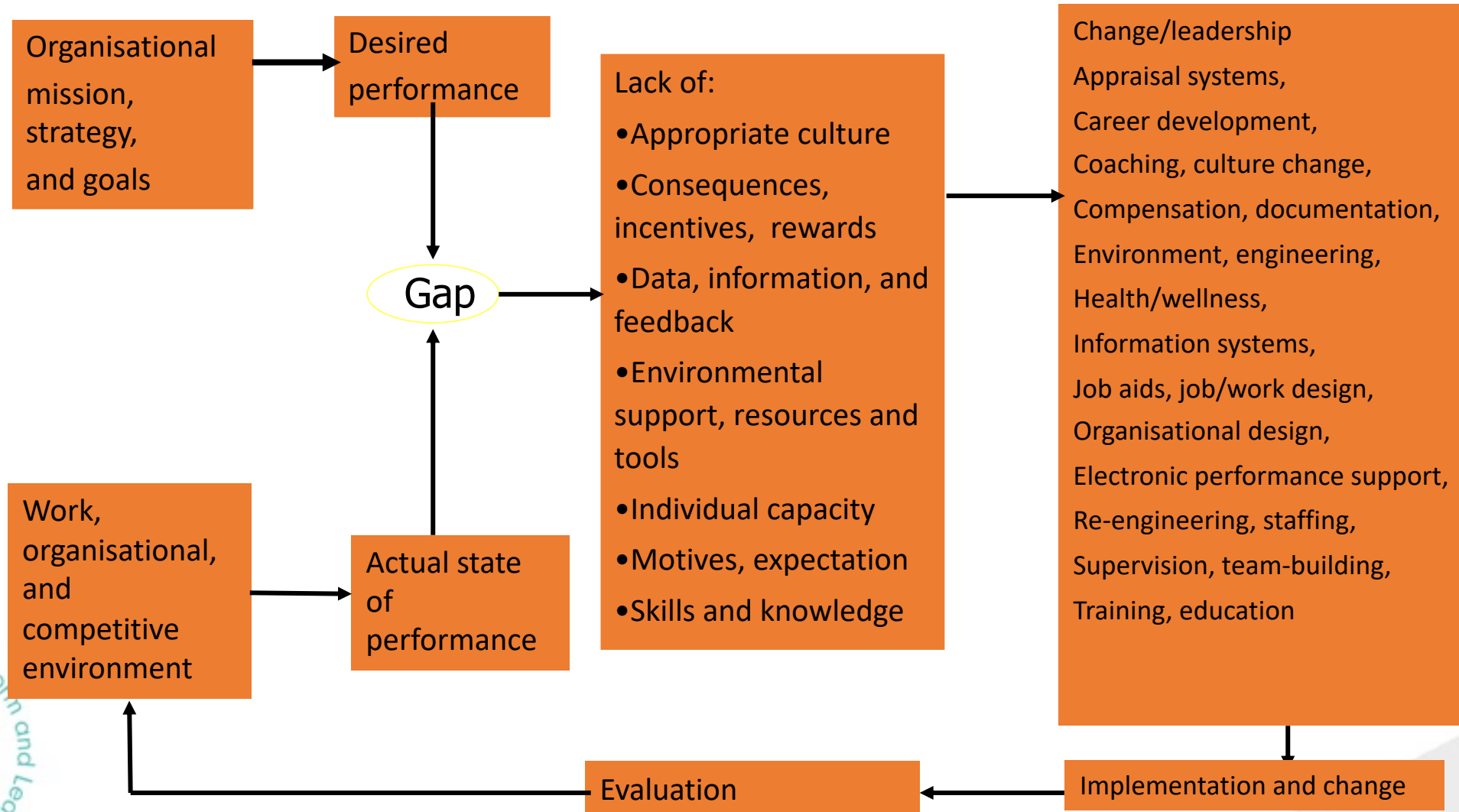
Talent Management



PERFORMANCE ANALYSIS

CAUSE ANALYSIS

INTERVENTION SELECTION AND DESIGN



Key Questions

- What should really be compensated?
 - **Effort? Results? Both?**
- How are expectations clearly set?
- How is this done in your organisation?
- Is there a reward strategy from which your compensation plan emanates?
- How should qualitative issues be measured?

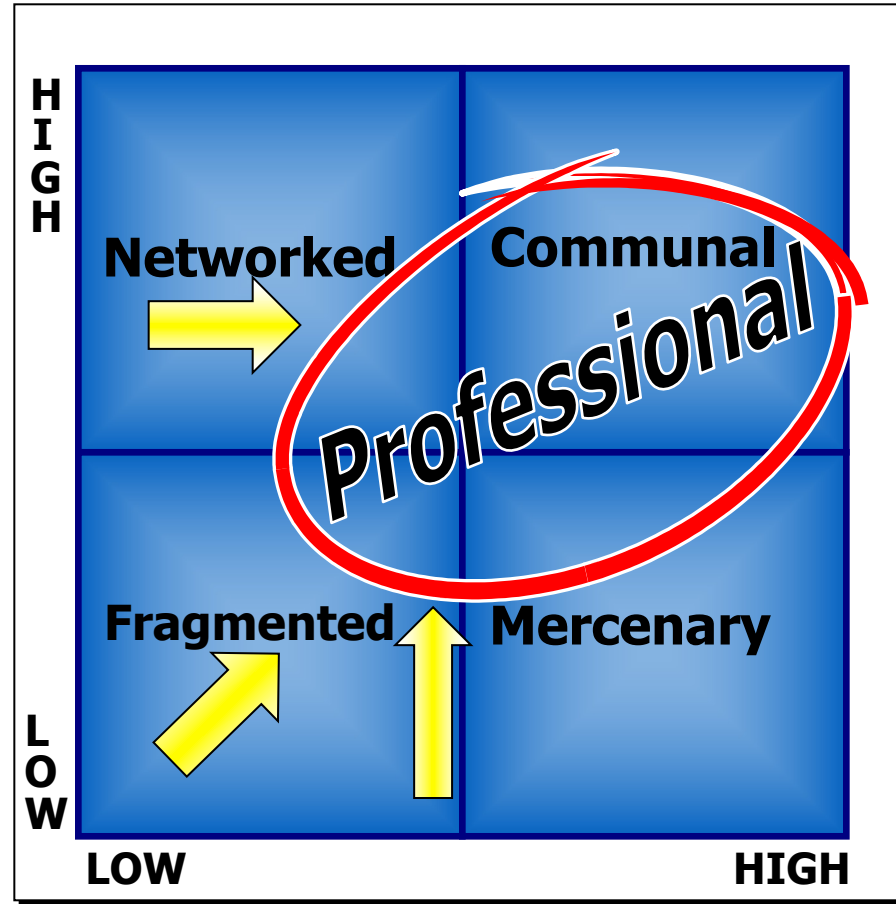
Key Questions

- What should constitute compensation?
 - Monetary – salaries, wages, allowances
 - Non-monetary – leadership, culture, engagement, L&D, career management, respect for individuals
- What other systems should aid the rewards system?
 - Performance management
 - Resourcing
 - Competence development
- What is the role of line managers in managing compensation?

Key Questions

- What do employees really want? Or need?
 - Needs or Wants – which is more appropriate to plan with?
- How does Effective Information Management affect compensation?
 - Your pay promise? Do you respect it?
- What about the variable pay twist?
- What about reporting?
 - To employees? To Management? To Third parties?

Sociability



Solidarity



The Purpose of Compensation

To attract and retain top performers by offering industry competitive compensation levels.



Where Does it Come From?

Compensation strategy shall be derived from its human resources strategy and defined along the following key dimensions:

- Pay market;
- Competitive positioning; and
- Pay mix.

Guiding Principles

- Maintain equitable and consistent pay practices in compliance with applicable labour laws and within the constraints of its budgetary process and financial limitations.
- Aim: to establish and maintain pay practices, which reflect local living cost, and which are competitive relative to its defined pay market.
 - Regular market survey of compensation practices, findings used to review the salary structure to ensure competitiveness and support of its compensation strategy.

Guiding Principles cont'd

- High performance is critical to the achievement of its business goals and objectives:
 - Employees rewarded based on merit, competence and job performance as part of management's commitment & organisational culture
- Compensation across all job groups payable in arrears consists:
 - **Guaranteed pay:** payable monthly in arrears.
 - **Variable pay:** employees worked for less than a month (pro rata)

Guiding Principles cont'd

- Use a well thought out and systematic method of classifying jobs and administering salaries to ensure that pay levels are competitive and internally equitable.
- Separate salary structures shall be maintained for different categories of staff.
- Employees' compensation shall consist of both guaranteed and variable pay across all job groups payable in arrears: a) Guaranteed pay and b) Variable pay.

Guiding Principles cont'd

- Eligible employees shall be paid cash allowances as stipulated in the working conditions.
- The variable pay component shall be tied to the achievement of the organisation's objectives and team goals.
- Management shall determine the amount payable or calculation applicable annually. This shall be regarded as staff bonus and team-based pay respectively; mostly private sector.

Job Analysis

- ...a systematic process for determining the tasks constituting a job and the skills and knowledge required to perform the job.
- Output from this process is the job description.

Job Description

- ... a statement outlining the objectives, reporting dynamics, roles, responsibilities, competencies required, key performance indicators, attributes required on each job.
- Line managers shall work with HR to ensure that all jobs have properly documented job descriptions.
- Job descriptions shall be documented for all newly created jobs or jobs that have undergone a significant amount of change.

Job Evaluation

- ... a systematic process for determining the relative worth of jobs. The output serves as an objective basis for job grades, which ultimately corresponds to the salary grade (structure).
- HR shall be responsible for evaluating all jobs with properly documented job descriptions to determine the equivalent job grade.

Salary Structure

- ...a system of salary grades and ranges derived from the job evaluation process.
- Each salary grade corresponds to a range (salary band) with a specified minimum, mid point and maximum amount.

Compensation Surveys

- ...a periodic examination of similar practices to determine the competitiveness of pay practices and its support of the compensation strategies.
- Survey covers job content information and salary data for the defined pay market.
- Benchmark jobs representative of the full range of jobs within the MDA will be selected and used to compare relative values of similar jobs within the pay market.

Job Classification

- ...proper matching of each employee to the appropriate job positions and grade level.

Where are We Today?

Today's enduring organisation must possess certain platforms...

- Promoting the sharing of ideas, interests and emotions by recruiting compatible people – people who naturally seem likely to become friends.
- Limiting hierarchical differences and focusing on effective communication and results.

Where are We Today cont'd?

HR functions:

- Acting like a friend to the system, and setting the example for geniality and kindness by caring for employees genuinely
- Developing awareness of competitors through briefings, newsletters, videos, memos, emails and social media
- Creating a sense of urgency in people by developing a visionary statement or slogan for the organisation and communicating it effectively

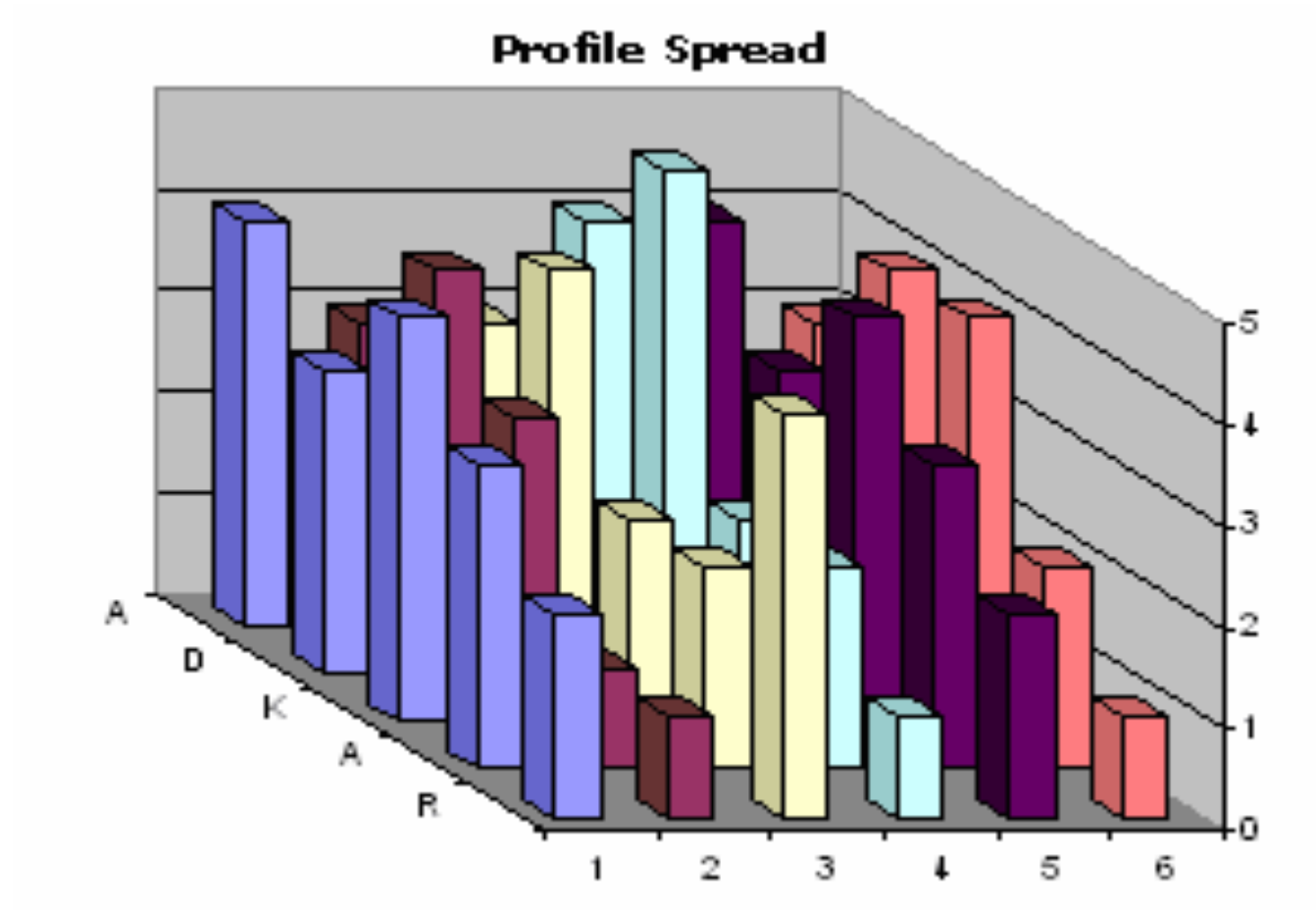
Need to Create the 'Will to 'Win'!

- Introduce performance-based rewards
- Create healthy internal competition
- Encourage commitment to shared corporate goals, encourage departments to have clearly defined mission statements and to *run* with them

Leading by Example

- Being the best example and reference point for the culture in place!
- The HRM function must now proactively SIT at the table!

Statistics Aid Effective Communication and Decision Making!





Innovation is Yay!



Technology is the Order of the Day!



The Challenge

People managers must now demonstrate the abilities that attract trust and confidence by top management!

Questions, Comments, Observations

THANK YOU