

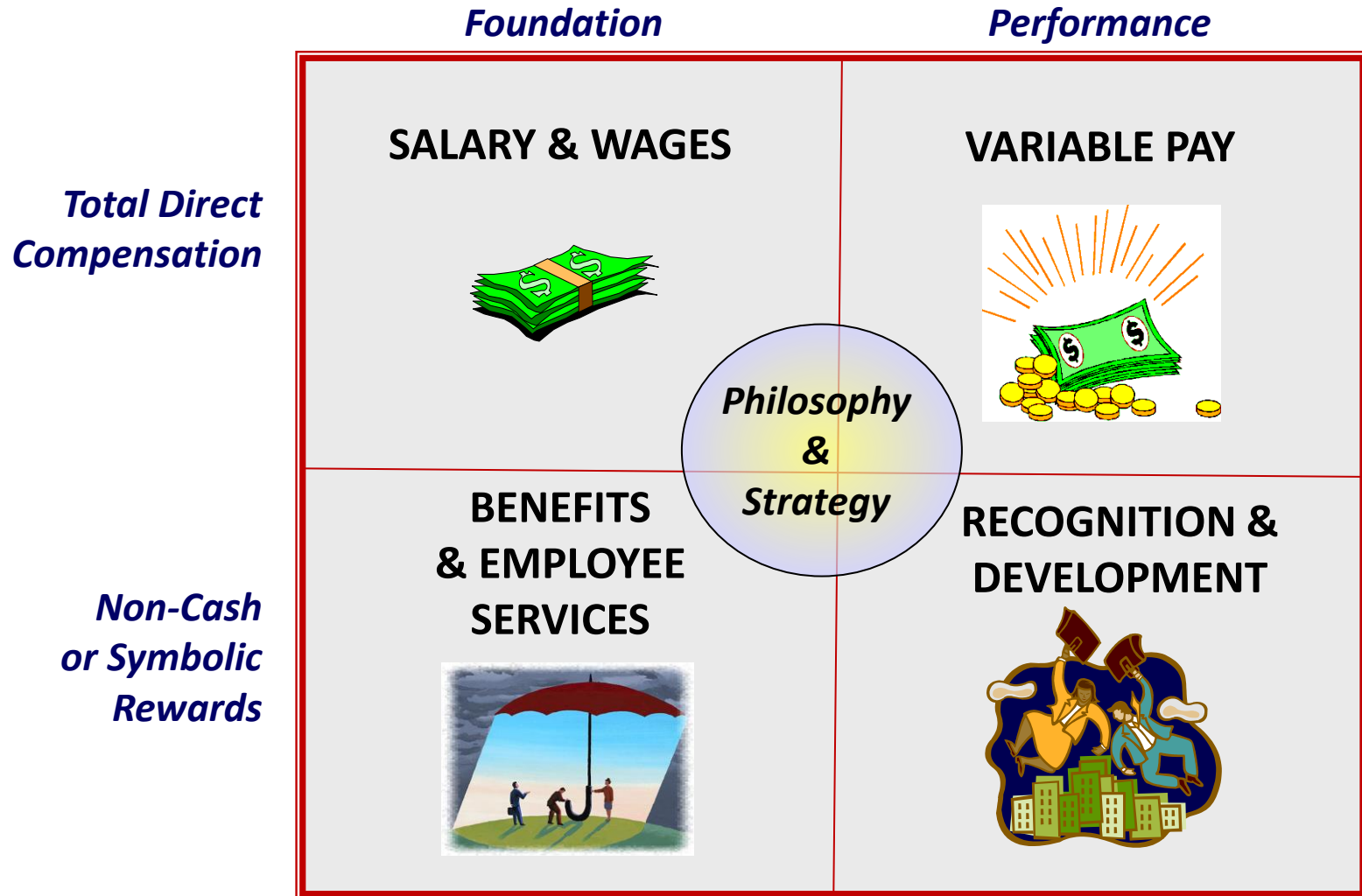
Attracting, Retaining & Motivating Employees with Compensation



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Total Rewards Framework



Total Rewards Framework



- 92 percent of companies surveyed have a formal compensation philosophy
- 63 percent have it in writing
- 53 percent of the companies surveyed indicate that most employees don't understand their company's compensation philosophy

Compensation Programs and Practices, A Report by WorldatWork

Total Rewards Framework

Developing a Compensation Philosophy

Checklist of What is Typically Addressed

- ✓ Who the organization defines as its competitors for labor
- ✓ How the organization prefers to set pay levels compared to market
- ✓ What the balance is between internal equity and the external marketplace
- ✓ What role performance plays
- ✓ What roles base pay and incentives play in total compensation
- ✓ How employees are recognized outside of total compensation
- ✓ What expectations can employees have for development and career growth

Total Rewards Framework

Developing a Compensation Philosophy – Illustration

1. MARKET COMPETITIVE

Base pay is competitive with the median of the market and total compensation provides more than competitive market opportunities

2. PAY FOR PERFORMANCE

Increases in base salary are based on job performance, competency development and demonstrating values

3. REWARD TOP PERFORMERS

Top performers and those in critical jobs will have a target base pay opportunity at the 75th percentile of the market

4. INNOVATIVE PROGRAMS

We will be known for our culture compensation programs that reinforce commitment to living the organization's values

5. FAIR AND CONSISTENT PAY

There will be internally fair and consistent pay between and within communities through career ladders, salary management infrastructure and geographic salary ranges

6. PAY COMMUNICATIONS

We will clearly and regularly communicate our compensation program and its objectives to our associates

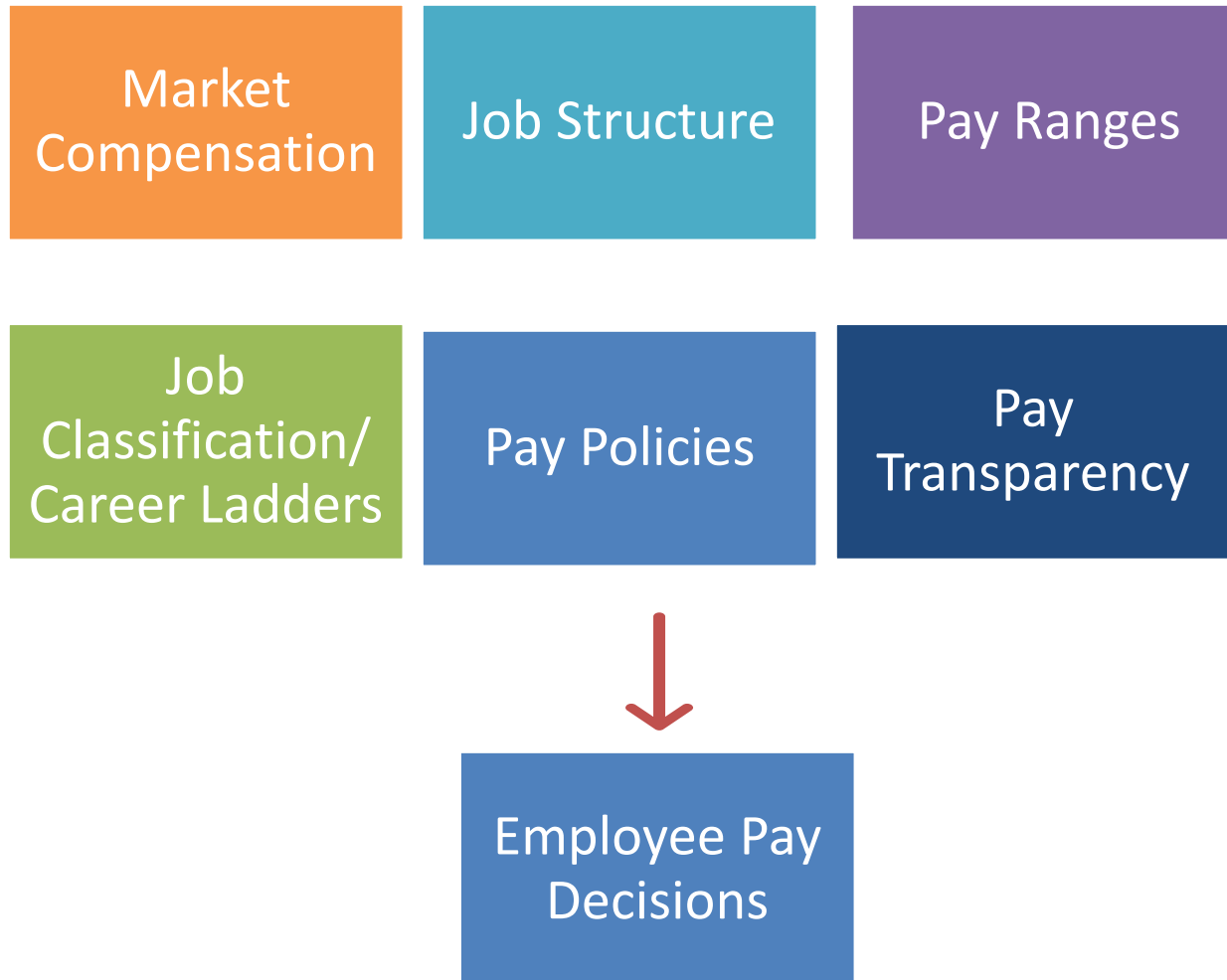
7. FOCUS ON BONUS

All associates will have the opportunity to participate in the success of their community and/or our corporate area



Base Pay

The Components



Base Pay

Determining Competitive Compensation

“65 percent of college students expect to make more than \$60,000 as an entry-level salary...the class of 2015 earned an average starting salary of \$50,219”



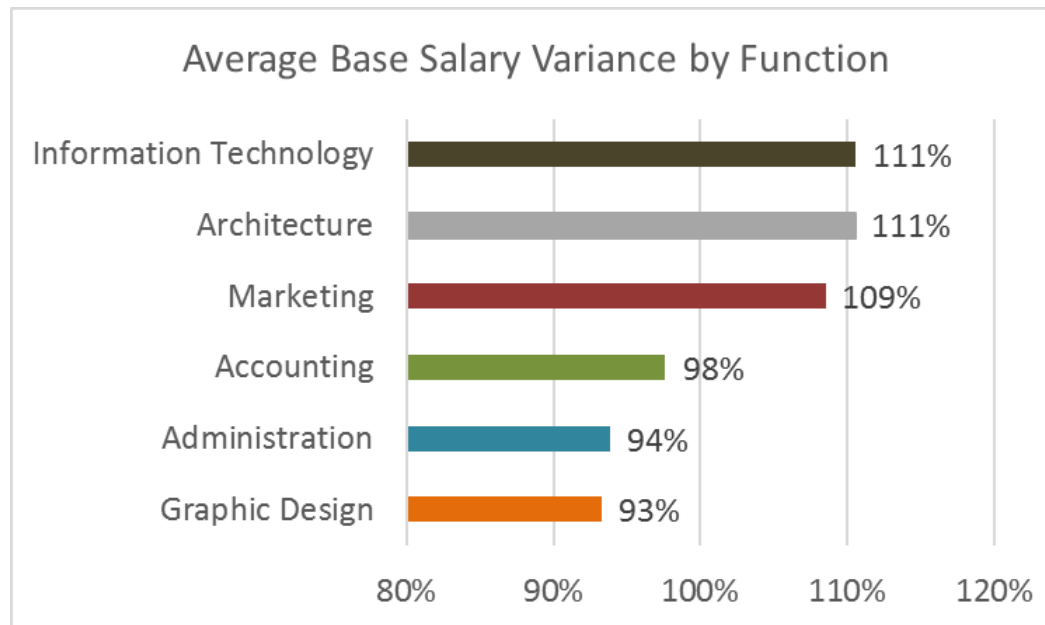
Yello, 2017 Collegiate Survey - Undergraduate Expectations

Base Pay

Determining Competitive Compensation

59% of organizations market price jobs on an annual basis

Illustration of an organization's assessment of its major job functions compared to the market



Compensation Programs and Practices, A Report by WorldatWork

Base Pay

Determining Competitive Compensation

Illustration of Talent Market for a Manufacturing Organization, just under \$1B Revenue

	Industry	Geography	Size – FTEs/ Revenue
Senior Management	<ul style="list-style-type: none"> Manufacturing General 	<ul style="list-style-type: none"> National 	<ul style="list-style-type: none"> \$250M - \$1B
Management & Individual Contributors	<ul style="list-style-type: none"> Manufacturing General 	<ul style="list-style-type: none"> Regional 	<ul style="list-style-type: none"> All sizes
Sales	<ul style="list-style-type: none"> Manufacturing 	<ul style="list-style-type: none"> National 	<ul style="list-style-type: none"> \$250M - \$1B
Office	<ul style="list-style-type: none"> General 	<ul style="list-style-type: none"> Local 	<ul style="list-style-type: none"> All sizes
Regional Warehouse	<ul style="list-style-type: none"> General 	<ul style="list-style-type: none"> Local 	<ul style="list-style-type: none"> All sizes
Plant	<ul style="list-style-type: none"> Manufacturing Distribution 	<ul style="list-style-type: none"> Local 	<ul style="list-style-type: none"> All sizes

Base Pay

Determining Competitive Compensation

Company Job Title			25th	Base 50th	75th	25th	TCC 50th	75th	
Production Manager			87.1	100.5	116.2	91.6	105.9	127.0	
Job Title	Source	Scope	25th	Base 50th	75th	25th	TCC 50th	75th	Job Description
Manager, Production	The Survey Group	All New England Organizations	85.9	99.3	108.1	93.3	102.2	115.9	Through subordinate supervisory staff, has responsibility for more than one of the following: assembly operation, machinery operation, processing or treating operation or packaging. Develops labor requirements for assigned areas. Directs operations through first-line exempt supervisors. Plans and administers procedures in designated areas. Associate degree, 5 or more years of related experience.
Production Manager	PayFactors	Industry: Containers & Packaging/Employees: 100-200/City: Lenox, MA	85.1	98.5	114.7	88.8	105.3	125.5	Job Summary: Oversees daily operations of one or more assigned production areas. Job Duties: Ensures that output of assigned area(s) meets established schedules or quality goals. manages a team that is responsible for operating production machinery, assembling items, performing quality control, or packaging goods for shipment. Ensures that department has sufficient levels of inventory to meet demand and is staffed appropriately. Collaborates with R&D, product development/engineering, facilities management or maintenance, customer service, or other functions to ensure that organizational goals regarding safety, efficiency, quality, and profitability are met. Experience and Education: Comprehensive knowledge of the field's policies, procedures, and practices. Performs complex tasks. Leads and directs the work of other employees. Has full authority for personnel decisions and may have some impact on departmental budgeting, strategic planning, and procedural change. Typically requires a Bachelor's degree and 6 or more years of experience. Reports to: Typically reports to a department head. Competencies: Ability to work as part of a team. Decision-making skills. Management skills. Problem/situation analysis. Strategic thinking skills. Project management skills. Planning skills.
Production Manager	Mercer	Northeast	86.6	103.7	125.7	92.8	110.3	139.7	Plan, direct, and monitor all production activities within an assigned area or unit to maximize the use of the organization's resources and meet established production specifications and schedules; volume, cost, and wastage targets; and quality standards. Develop and implement manufacturing schedules and procedures and allocate labor and capital resources to maximize productivity. Analyze production, maintenance, and malfunction records to identify problems and recommend solutions (for example changes to procedures, workflow, or equipment) that will improve performance. Liaise with functional or operational area managers (for example in supply and logistics, or sales) to understand their current and future product needs and develop plans, cost estimates, and schedules for integrating these needs into existing manufacturing activities. Plan, prioritize, and manage production line maintenance or downtimes to minimize disruptions to manufacturing schedules. Lead, direct, evaluate, and develop a team of supervisors who are responsible for various production activities such as assembly, machine operation, processing, treating, or packaging. Typically requires a Bachelor's degree and six to eight years of related experience, including supervision. Frequently reports to a Manufacturing Manager.

Base Pay

Developing Market Based Pay Structures

- 85% of organizations have a formal salary structure
- 55% of organizations adjust their salary structure once a year

Salary/Job Structure Illustration

Grade	1	2	3	4	5	6	7	8	9
Minimum	\$41,200	\$47,400	\$54,500	\$62,700	\$72,100	\$71,100	\$88,900	\$111,100	\$138,900
Midpoint	\$49,440	\$56,900	\$65,400	\$75,200	\$86,500	\$99,500	\$124,400	\$155,500	\$194,400
Maximum	\$57,700	\$66,400	\$76,300	\$87,800	\$100,900	\$128,000	\$160,000	\$200,000	\$250,000
Administrative Professional	Asst/Cood/ Admr I	Asst/Cood/ Admr II							
Sales Professional		Rep I	Rep II						
Business Professional <i>Acctg, HR, Mktg, Design, EHS</i>		I	II	III	IV/Mgr				
Technical Professional <i>IT, Engineering, Quality</i>			I	II	III	IV/Mgr			
Production/Distribution Mgmt				Supv	Area Mgr	Plant Mgr, GM Adhesives			VP/SVP
Sales Mgmt							Director		VP
Business Mgmt	Supv I	Supv II	Mgr I	Mgr II	Mgr III		Director I	Director II	VP
Technical Mgmt								Director	

Base Pay

Developing Market Based Pay Structures

Salary/Job Structure Illustration (continued)

A standardized job family framework will facilitate ongoing competitive analysis, simplify administration, create internal equity/fairness and provide a career map of opportunities for employees to progress

Professional Individual Contributor

P1	P2	P3	P4	(P5)	(P6)
----	----	----	----	------	------

Management

M1	M2	M3	M4	M5
----	----	----	----	----

Support Services

S1	S2	S3
----	----	----

Base Pay

Developing Market Based Pay Structures

Salary/Job Structure Illustration (continued)

Level	Professional Framework		
	Typical Minimum Education	Typical Minimum Experience	Role
I	Bachelor's or equivalent Master's	Up to three years No experience	<p>Entry level professional.</p> <p>Requires close supervision.</p> <p>Work is narrow in scope.</p> <p>Considered developmental.</p> <p>Impact to organization is minimal.</p>
II	Bachelor's or equivalent Master's	Three to six years Up to three years	<p>Intermediate professional.</p> <p>Requires moderate supervision.</p> <p>Work focuses on one area but more in-depth.</p> <p>Understands discipline and interdependencies.</p> <p>Impact to organization is moderate.</p>
III	Bachelor's or equivalent Master's	Six to ten years Three to six years	<p>Senior level professional.</p> <p>Requires broad supervision at the beginning of projects.</p> <p>Thoroughly understands discipline and interdependencies, can provide guidance to entry level professionals.</p> <p>Impact to organization is moderate to significant.</p> <p>May oversee work of small groups of Non-Exempt staff or Individual Contributors.</p>
IV	Bachelor's or equivalent Master's	Ten to fifteen years Six to ten years	<p>Usually has full responsibility for a functional area and utilizes staff/resources within and/or outside the organization to meet functional goals; may lead cross-functional team.</p> <p>Work often covers full activities of a discipline at an in-depth level; may function as internal consultant providing leadership and specific expertise relative to functional area.</p> <p>Is considered a master at area of expertise and provides guidance to lower level professionals. Impact to organization is significant.</p> <p>May supervise work of Non-Exempt staff or Individual Contributors.</p> <p>May assist in the preparation and/or monitoring of departmental or function area budget.</p>

Base Pay

Developing Market Based Pay Structures

Don't mix up "cost of living" with "cost of labor"

Base City's Base Salary Level: 75000 United States Dollars	Base City: Ludlow, Massachusetts United States Dollars	Destination City: Concord, Massachusetts United States Dollars	Destination City as a percentage of Base City
Salary	75,000	82,765	110.4%
% of United States Avg.	101.1%	111.6%	
Cost of Living	75,000	104,100	138.8%
% of United States Avg.	111.5%	154.8%	
Area Included	Ludlow, Massachusetts	Concord, Massachusetts	

Compensation Programs and Practices, A Report by WorldatWork

Base Pay

Developing Market Based Pay Structures – Multiple Structures

Geographic Differential Illustration

Zone	Grade	Minimum	Midpoint	Maximum	Differential
1	5	\$29,200	\$37,900	\$46,700	100%
2	5	\$26,280	\$34,110	\$42,030	90%
3	5	\$32,120	\$41,690	\$51,370	110%

Zone 1 Locations

Knoxville, Tennessee
 Sarasota, Florida
 Fort Lauderdale, Florida
 Roswell, Georgia
 Miami, Florida
 Phoenix, Arizona
 Akron, Ohio
 Dallas, Texas
 Bedford, New Hampshire
 Houston, Texas
 St. Paul, Minnesota
 Lansing, Michigan

Zone 2 Locations

Tyler, Texas
 Greensboro, North Carolina
 Key West, Florida

Zone 3 Locations

Hoboken, New Jersey
 Boston, Massachusetts
 San Francisco, California
 Everett, Washington
 Goshen, New York


Base Pay

Making Pay Decisions

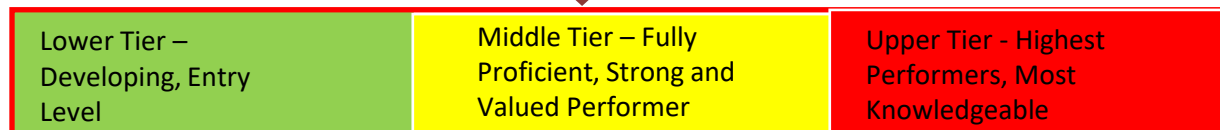
Market = \$50,000



Salary/Market Range: \$40,000 - \$60,000



		Range Position Distribution		
		Lower	Middle	Upper
Rating Distribution:		28%	52%	20%
Exceptional Performance	15%	5.0%	3.0%	2.5%
Consistently Exceeds	50%	3.0%	2.5%	2.0%
Meets	30%	2.5%	2.0%	1.0%
Less Than Expected	5%	0.0%	0.0%	0.0%
Does Not Meet	0%	0.0%	0.0%	0.0%



Performance Assessment:

- ✓ New hire, limited skills
- ✓ Learning, developing skills
- ✓ Current performance meets only basic level requirements

- ✓ Experience, fully competent individual
- ✓ Fully meets the requirements and responsibilities of the position

- ✓ Functions at a level that is clearly above requirements
- ✓ Shows mastery of all the primary areas of the job
- ✓ Trains, coaches and supports others as needed

Base Pay

Making Pay Decisions – Policy Illustration

Policy Type	Purpose/Definition	Policy Description
Eligibility for Pay Increases	To define under what conditions increases and adjustments are made to an employee's pay rate.	Increases are contingent upon acceptable performance as of the effective date of the increase.
New Hire	To determine an internally fair and competitive starting pay for a new or rehired employee.	Market value of the position coupled with internal pay rate shall determine the appropriate pay level. Starting pay rates should typically fall within the first third of the salary range depending on direct experience, which is at or below 90% of the midpoint of the salary range.
Merit Pay Increases	The opportunity for employees to receive an increase in pay in their current job over time.	The amount of the increase is based on funding available, performance rating and reflects range position. For those at or above the maximum of their range, they are eligible to receive a lump sum payment in lieu of pay increase.
Maximum Rate	The pay range maximum is the highest pay rate available in the grade.	Employees who reach the maximum of their pay range will remain at that pay rate until there is a structure adjustment and a pay increase is available and granted.
Promotional Increases	An employee moves into a new job at a higher grade.	Employees moving to a higher grade are eligible for a promotional increase to an appropriate pay level reflecting internal and external equity.
Equity	A pay increase to address or prevent retention issues of individual employees where the current pay rate is not appropriate relative to other employees, the salary range or market.	Outside of the regular merit increases, if pay is aligned with the market an equity adjustment may be made to help maintain equity and/or retain employees.
Structure Adjustments	Pay ranges are increased based on the market and available funding.	When the ranges are adjusted in the future based on market movement and employee's current rate is below new range minimum, adjustments to the range minimum may be applied.
Transfers	A lateral change in job responsibilities within the same pay grade.	Typically, no salary change is provided but an increase may be appropriate in situations where employees are requested to transfer ,or the transfer is needed to fulfill an employee development plan.
Demotions	An employee moves into a new job at a lower grade.	An employee who requests a job that is in a lower grade than their current job will receive a decrease to fit their pay within the new pay range, not to exceed the maximum of the range. An employee who involuntarily moves to a job in a lower grade than their current job will be treated on a case by case basis.

Base Pay

Making Pay Decisions – New Hires

Determine New Hire Starting Salary Decision Aid		
Decision Making Considerations Based on Background Information	\$	\$
	First Third	Middle Third
Current salary of candidate within pay grade	_____	_____
	Low End	High End
Other salary offers compared to company pay grade	_____	_____
	Low End	High End
Degree of directly related work experience	_____	_____
	Low End	High End
Criticality of candidate's skills to company	_____	_____
	Low End	High End
Degree of difficulty to fill position (how long was position open)	_____	_____
	Low End	High End

Base Pay

Making Pay Decisions – Promotion Opportunities

Determine New Salary for Promotion Decision Aid	
Decision Making Considerations Based on Background Information	<div>_____</div> <div>6% 12%</div>
Employee pay versus the market value of the new position	<div>_____</div> <div>Equal or higher Lower</div>
Degree of change in responsibility and impact of new role	<div>_____</div> <div>Moderate High</div>
Performance results versus job expectations	<div>_____</div> <div>Meets expectations Exceeds Expectations</div>
Current salary within new salary range	<div>_____</div> <div>Low End High End</div>
Performance results relative to new peer group	<div>_____</div> <div>Similar Higher</div>
Pay versus peers with similar experience and skills and performance	<div>_____</div> <div>High Low</div>
Criticality of skills to the company	<div>_____</div> <div>Moderate High</div>

Base Pay

Making Pay Decisions – Promotion Opportunities Competency Illustration

	Career Path Competency Levels				
Competency Category	1	2	3	4	5
Expertise	Knowledge of immediate tasks and work routines.	In-depth knowledge of company solutions, tools and technologies and their effect on the customer.	Broad knowledge of multiple company solutions and technologies and the impact on the customer.	Recognized expert in at least one process, technology or solution.	Strategic knowledge of the interdependencies of the VIQ technologies and solutions, and their value to the customer.
Communications	Writes and speaks clearly and succinctly in a variety of settings and styles. Is an active and involved participant in work-related discussions.	Utilizes attentive listening and accurately restates opinions of others. Facilitates group discussions and leads presentations.	Presents complex and difficult information where actions or decisions need to be taken.	Facilitates group information sharing, problem solving and decision making with multi-disciplinary teams and clients.	Delivers formal persuasive presentations, adapting the content and delivery to meet the needs of the audience.
Relationships	Easily develops positive working relationships and demonstrates respect and appreciation of others.	Builds enduring relationships and establishes a positive reputation aligned with company values.	Builds multiple levels of relationships with clients; creates enduring relationships with diverse individuals.	Strengthens VIQs partnerships with multiple clients and/or cross-functional groups within the company; establishes strong trust and confidence with others.	Is recognized by client leadership and others as the driver of attribution solutions. Strengthens the support of others for the company by demonstrated personal actions.
Critical Thinking	Identifies, defines and understands expected problems; applies customary thinking process to determine solutions. Pays close attention to details.	Examines data for patterns, potential errors, or practices that are meaningful to the client or reaches a solution to a complex task.	Examines data for trends, defines complex, multi-dimensional problems; applies creative logic to arrive at solutions; assures conclusions meet client's needs.	Examines different forms of data for alternatives, causality or relationships to reach insightful conclusions. Assures outcomes address client's situation.	Leads and guides others in the strategic and creative analysis of data, factors and practices that lead to unique and in-depth solutions to very complex situations.
Project Management	Participates in or leads short-term, routine service projects consistent with company practices and protocols.	Leads moderate size projects or participates in high level projects related to client services, consistent with standard practices; may take responsibility for a task within a large project.	Leads moderate to complex size projects for clients or internal initiatives that address multi-dimensional data and needs.	Leads long-term, multi-faceted projects with important client or company impact, requiring careful planning, control and resource utilization. Usually involves financial impact on the company.	Leads strategic engagements that involve multi-disciplinary teams, and potentially high level client visibility and impact toward a successful set of outcomes. Engagements have material impact on company's financial results.
Leadership	Takes actions that demonstrate support for company values, personal accountability and respect for the work of others.	Guides and supports others in short term projects or initiatives, and demonstrates by example the values of the company.	Initiates and demonstrates command of the situation, and builds support and involvement by others to accomplish desired goals. Includes effective mentoring of others.	Defines and executes complex assignments that engages people from multiple disciplines and/or clients in a manner that builds confidence and respect of others. Work strengthens the commitment of others to the company.	Takes full responsibility for managing complex engagements that create opportunities for learning, development, and involvement of people from multiple groups to accomplishing common goals. One's work is primarily accomplished through others.

Base Pay

Achieving Pay Transparency - “On the Web” Illustration

UNIVERSITY of NOTRE DAME

OFFICE of the EXECUTIVE VICE PRESIDENT

Office of Human Resources

SEARCH

Compensation Homepage

Have questions about the program or this application?

Contact Us

Select Your Family

Academic Affairs

Athletics

Auxiliary Services

Engineering

Environment & Safety

External/Internal Relations

Facilities

Financial Management

General Administration

Health Services

Hotel

Human Resources

Information Technology

Library

Student Services

Select Your Sub-Family

Admissions/Enrollment

Admissions/Enrollment - Post Undergraduate

Advising/Counseling

Career Services

Career Services - Law & MBA Programs

Conduct

Financial Aid

General Student Services - Post Undergraduate

Housing

Ministry Programs

Registrar

Student Activities

Student Affairs

Student Financial Strategies

Student Welfare

Market Reference Ranges

Advising/Counseling Description

Includes jobs involved in counseling students on academic program policies and issues. Typical activities include monitoring student academic progress and assisting students in making appropriate educational choices and decisions. May conduct informational sessions and provide advice.

[Send us your comments and questions.](#)

Non-Exempt Individual Contributor (NIC)

Exempt Individual Contributor (EIC)

Management (M)

NIC1 Assistant

EIC1 Associate

M1 Supervisor

\$27,734 - \$55,468 (\$13.34 - \$26.66)

\$49,132 - \$98,265 (\$23.61 - \$47.25)

NIC2 Coordinator

EIC2 Professional

M2 Manager

\$30,507 - \$61,014 (\$14.67 - \$29.33)

\$54,045 - \$108,090 (\$25.98 - \$51.97)

NIC3 Technician

EIC3 Specialist

M3 Director

\$33,558 - \$67,116 (\$16.14 - \$32.26)

\$73,914 - \$147,829 (\$35.54 - \$71.07)

[NIC Career Guide Download PDF](#)

[EIC Career Guide Download PDF](#)

[M Career Guide Download PDF](#)

<http://hr.nd.edu/compensation/overview/>

Base Pay

Achieving Pay Transparency - Job Documentation Illustration

Grade	Job Functions/Titles	Overall Function	Experience	Skills	Guidance/Supervision
4	Sanitation Lead	Maintain physical plant in a sanitary manner and oversee shift employees.	Typically requires 2+ years of experience	Applies advance level skills, knowledge of policies and procedures, tools, equipment, workflow and tasks to accomplish the requirements of the position such as: supervise completion of all Master Sanitation duties, remove all refuse from the interior of the plant and deposit in containers outside the plant, operate forklift as required, maintain all restrooms in a sanitary manner, maintain cleanliness and safety of exterior of the plant, maintain all footbaths, receive and distribute packages, minimize water usage and the generation of wasteland, follow all safety regulations.	Works under general supervision. Follows standard guidelines, procedures, oral and written instructions to accomplish assigned tasks. Provides guidance and training for lower level employees.

Incentive Compensation

Ten Common Mistakes

1. Too many measures
2. Metrics with a weight less than 10% of the total
3. Setting goals that are difficult to evaluate differences in multiple levels of performance
4. Not tracking the results on an ongoing basis
5. Trying to force the metric's performance range and payout range to be the same



Incentive Compensation

Ten Common Mistakes

6. Not paying out an annual incentive within 45 days of the end of the performance period
7. Not being clear about the purpose and/or objectives of the plan
8. Focusing on individual measures in the plan when it takes more than one person or function to achieve them
9. Not modeling incentive payout scenarios
10. Not aligning the performance measures with the right level of the organization



Incentive Compensation

Balancing Individual and Company Performance Illustration

Performance Goals	Weight	Threshold		Target		Exceptional		Score
		80	90	100	110	120		
Individual Performance	35%							
Department/ Team Performance	35%							
Company Performance	30%							



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"What do you mean there'll be no Christmas bonus?"

Payout Opportunity

0 - 79	0%
80 - 87	A%
88 - 95	B%
96 - 104	C%
105 - 112	D%
113 - 120	E%



Incentive Compensation

Hourly Incentive Illustration

- The purpose of the performance incentive is to reward all hourly employees with a **lump sum payout** whenever their performance rating from a formal review is “Meets Expectations” or “Exceed Expectations”.
- Employees with a “Needs Improvement” rating are not eligible for a payout.
- The payout amounts are calculated and determined at the end of the performance period based on the distribution of ratings.
- The program launched with funding of 2% of wages or approximately one week’s pay.
- Program funding evolved to “exceeds” @ 3.8% or equivalent to two weeks pay and “meets” @ 1.9%.

Incentive Compensation

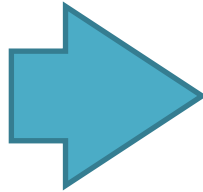
Hourly Incentive Illustration (continued)

Category	Definition	Needs Improvement	Meets Expectations	Exceeds Expectations
Quality of work produced	Work meets high standards of accuracy, timeliness and completeness; quality issues are identified and resolved.	Regularly has quality issues with work output and repeats errors after instruction.	Occasionally produces work with quality issues but corrects and does not pass on defective work; does not repeat the same errors.	Rarely produces work that fails with quality issues; identifies ways to prevent errors and assists others in improving quality.
Quantity of work produced	Produces work at standard levels based on available work; shows initiative and self-motivation.	Must be reminded to use available time efficiently and does not meet quantity standards.	Consistently uses company time efficiently minimizing non-productive activities; shows efforts and interest in accomplishing required output.	Seeks to increase productivity and upgrade standards; redirects and/or expands own work efforts to be more productive and contribute to overall performance.
Attendance and reliability	Is someone others can count on; dependable and takes responsibility for own work.	Repeatedly does not follow attendance standards and doesn't come in when expected.	Can be counted on to come in when expected; starts and ends work on time.	Highly dependable; sets an example for others.
Application of job skill and knowledge	Has and utilizes skills and experience to perform assignments; follows established standards.	Requires frequent instructions on how to perform the job and is unable to reliably produce output to standards.	Requires little or no guidance to perform job tasks. Shares job information with others. Occasionally identifies work and process improvements.	Knows own job completely and its impact on other jobs; consistently acts as a resource to others; regularly seeks ways to improve work and processes.
Flexible and cooperative team player	Works effectively and communicates with others; adjusts own work to meet team requirements.	Avoids shifting to other tasks when required. Creates tensions and conflict with others. Causes problems or extra work for others.	Approachable and cooperative in dealing with others; understands team requirements and adjusts own work as required.	Identifies need for coordination; adjusts own behavior to accommodate others; contributes to development of others.
Safety	Works to avoid and prevent injury and is careful to follow standards that apply.	Selectively complies with applicable standards; Receives disciplinary action for at fault accident or safety policy violation.	Complies with all applicable safety standards and procedures; no disciplinary action for at fault accident or safety policy violation; identifies hazardous conditions and situations and brings them to the attention of the supervisor.	Follows all applicable safety standards and procedures and assists others to comply; Makes safety recommendations that are implemented to prevent property damage or injury; takes initiative to correct unsafe conditions; volunteers and participates in safety initiatives; safety habits are a model for other employees to follow.

Incentive Compensation

Transitioning from Base to Total Cash Compensation

- Role
- Desired Behaviors
- Level of Influence



Base Salary

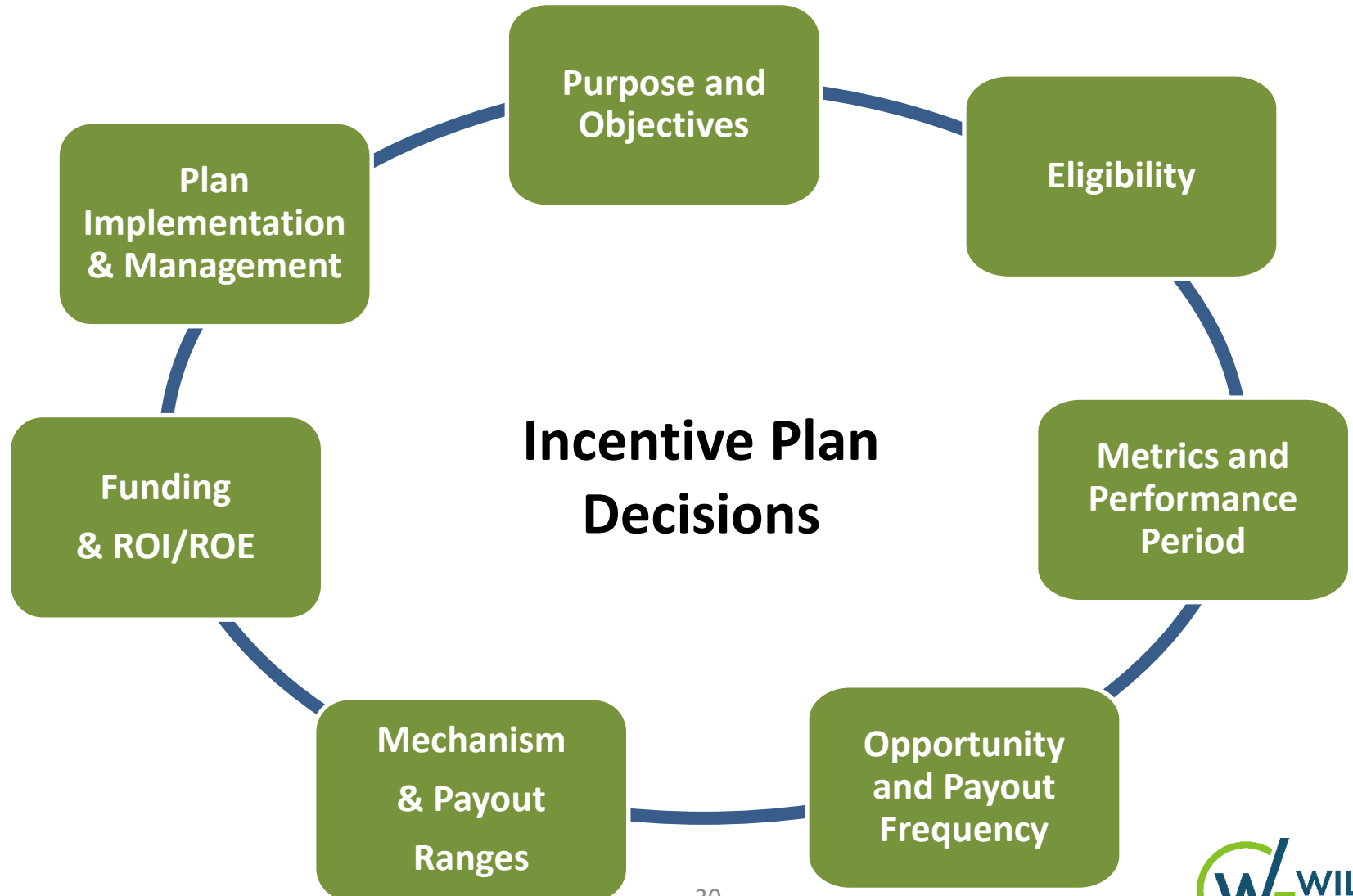
- Job responsibilities
- Competencies demonstrated
- Individual activities and actions

Variable Compensation

- Individual, group or company achievements
- Strategic measures and goals
- Short and/or long term focused

Incentive Compensation

Key Steps in Design



Strategic Recognition

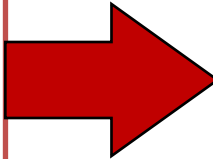
Key Decisions in Design

Who is this for:	Specific group	↔	Everyone
What do you want to recognize and reward:	Results	↔	Behaviors/Process
What do you recognize the actions with:	Tangible	↔	Verbal/Social
How often should it happen:	End of the Period	↔	Real-time/As it happens
Who determines the recipients:	The manager	↔	Anyone
How should the achievements be celebrated:	Publicly	↔	Privately

Strategic Recognition

Two Tier Plan Illustration

Crew Excellence:

- Quality of Food Served
 - Efficiency/Effectiveness
 - Customer Service
 - Team Player
- 

APPLAUSE:

- Anyone can recommend a crew member for distinction
- HR Director, Product Development Manager, Operations Manager or Co-President approves
- Awarded throughout the year
- GM awards the \$25 gift card

OVATION:

- One crew member is selected each quarter from GM recommendations
- Co-presidents approve and personally present
- Cash award of \$250

Strategic Recognition

Annual Recognition Illustration

1. The primary purpose of this program is to provide a clear, transparent and meaningful process to reward individuals and teams that demonstrate outstanding performance and contributions to ABC and its key customers.
2. All employees (with the exception of executive leadership) will be eligible for this program.
3. Individuals will be nominated by office locations, executive leadership or others within the firm for a special recognition award. The candidates may be individuals or teams that have clearly made a difference to ABC and its clients.
4. The nominations will be vetted and discussed by a Selection Team. Initially this team will be members of the Executive Committee with a particular interest in this program. In subsequent year, the members will be previous year recipients of the awards and selected Partners. The nature and amount of the award will be developed over time by the Selection Team.
5. All awards need to be reviewed and approved by the Executive Committee and Human Resources.
6. Awards will be nominated, determined and made on an annual basis. Members of the Selection Team will provide the award to the individual (or team) in a public or private venue, and in full disclosure and involvement by the individuals manager or executive leader.

Wilson Group

Wilson Group was founded in 1994 and is a boutique compensation consultancy that specializes in executive, sales and employee total compensation. We have been a trusted advisor to over 350 organizations, both nationally and globally, in a wide range of industries and business structures.

Today, the firm is co-owned by Rhonda Farrington and Susan Malanowski, who work with a team of highly experienced professionals and partner organizations, to drive business performance through effective pay programs and strategies.

We offer our clients a personal, customized approach to designing and implementing solutions to pay people fairly, competitively and effectively.

Rhonda Farrington - **Managing Director/Principal**

Susan Malanowski – **Managing Director/Principal**

Thomas B. Wilson – **Founder/Principal**

Lisa Nivison – **Operations Manager/Compensation Analyst**

Marie Cantarella – **Consultant**

Jean Riley – **Consultant**

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Employee Total Compensation	Executive Total Rewards	Sales Incentive Compensation
<ul style="list-style-type: none">• Base Salary Programs• Compensation Philosophy• Compensation and “Next Stage” Workshops• Competitive Assessment• Pay Equity Analysis• Performance Management• Strategic Recognition• Variable Compensation	<ul style="list-style-type: none">• Competitive Assessment• Executives and Board of Directors• Short and Long-Term Incentive Plans	<ul style="list-style-type: none">• Competitive Assessment• Plan Design and Financial Modeling• Sales Recognition Program Design• Sales Plan Documentation, Illustrations and Tools• Sales Plan Performance Analysis



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