

Practical implementation of a global reward and benefits programme

April 2016





Discussion

*How to
achieve buy-in
from above*

*Keeping costs to
a minimum in a
streamlined/
zero-budget
environment*

Communication

What should a reward and benefits strategy deliver?

- Provides a total solution rather than a collection of independent reward management programmes
- Needs to be targeted toward business performance improvement
- Achieves the best mix of reward and talent management programmes to:



Reward strategies should take into account the individual characteristics of the organisation and the business strategy

Reward strategies ensure that reward policies and processes:

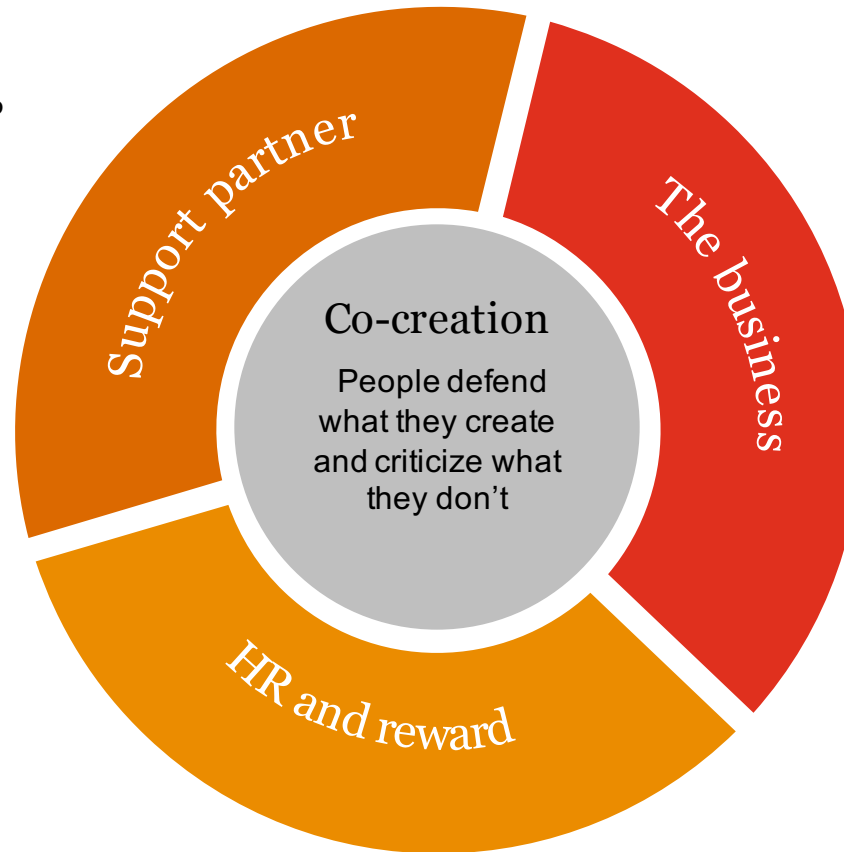
- Integrate with and support wider HR and business strategies:
 - Improving the organisation's ability to attract and retain the right people.
 - Improving the organisation's ability to focus and motivate employees.
- Underpin the organisation's values and reinforce key messages around, for example, unification or a 'high performance culture'.
- Fit the culture and management style of the organisation.
- Drive and support the desired behaviour at all levels indicating what types of behaviour will be rewarded.
- Interpret and respond to the environmental context and competitive position of the organisation.
- Provide a context for consistent decision making.
- Enable the organisation to obtain value for money from its reward spend.



Implementing a global policy well takes time and significant investment in building business engagement and ownership

The right insights and capabilities

- Rigorous fact based approach to identifying, structuring and prioritising the critical issues.
- Provide challenge and stretch throughout the alignment journey.
- Multi- disciplinary approach that brings together strategic, reward and benefits management skillsets and external best practice.
- Ensure appropriate balance on the 'What' and the 'How' of the alignment journey.



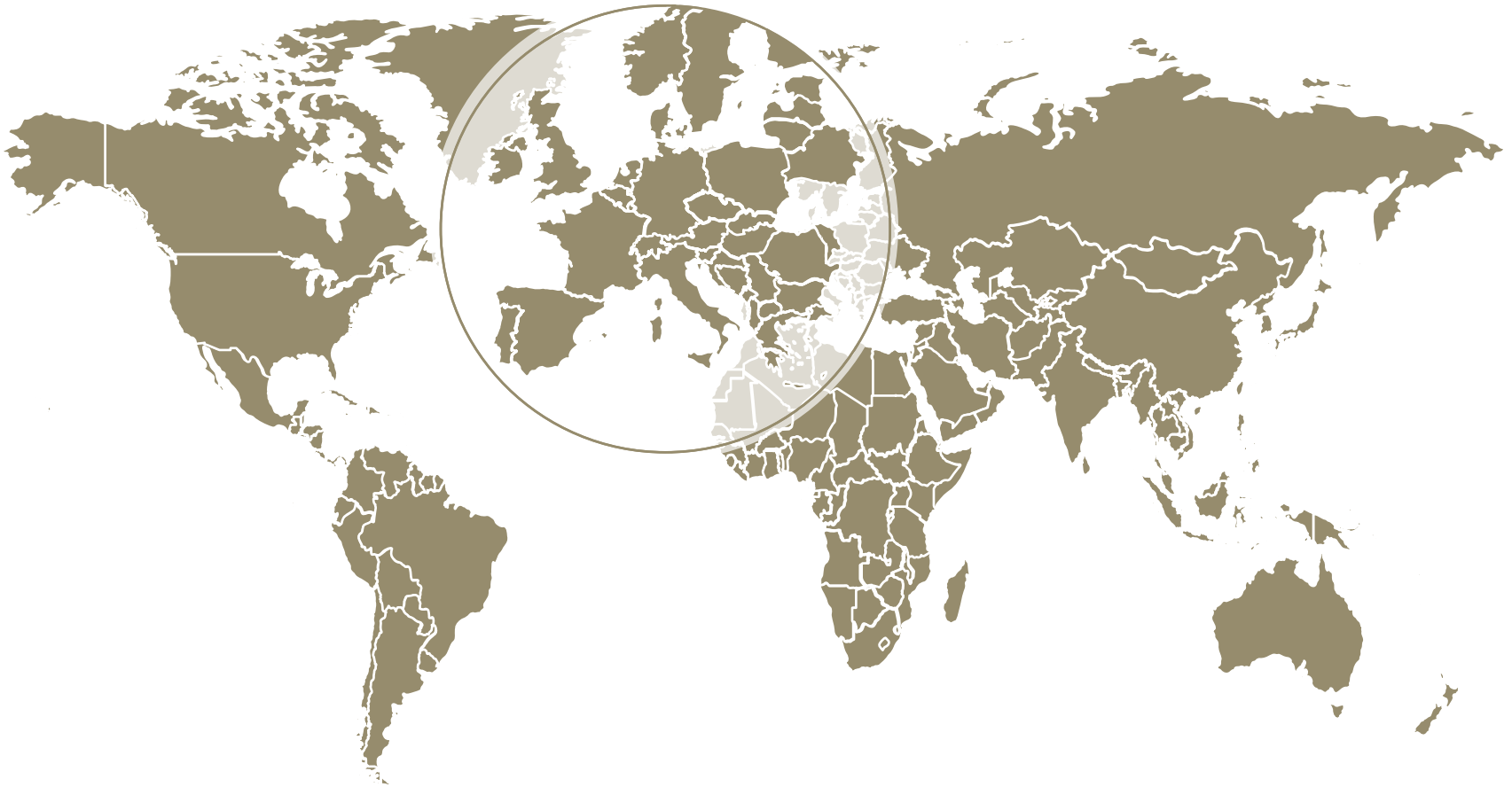
The right outcomes

- Own the outcomes and drive the decision-making, activities and accountabilities.
- Bring deep knowledge of the business, strategic intent and priorities.
- Understands the culture and their businesses work.

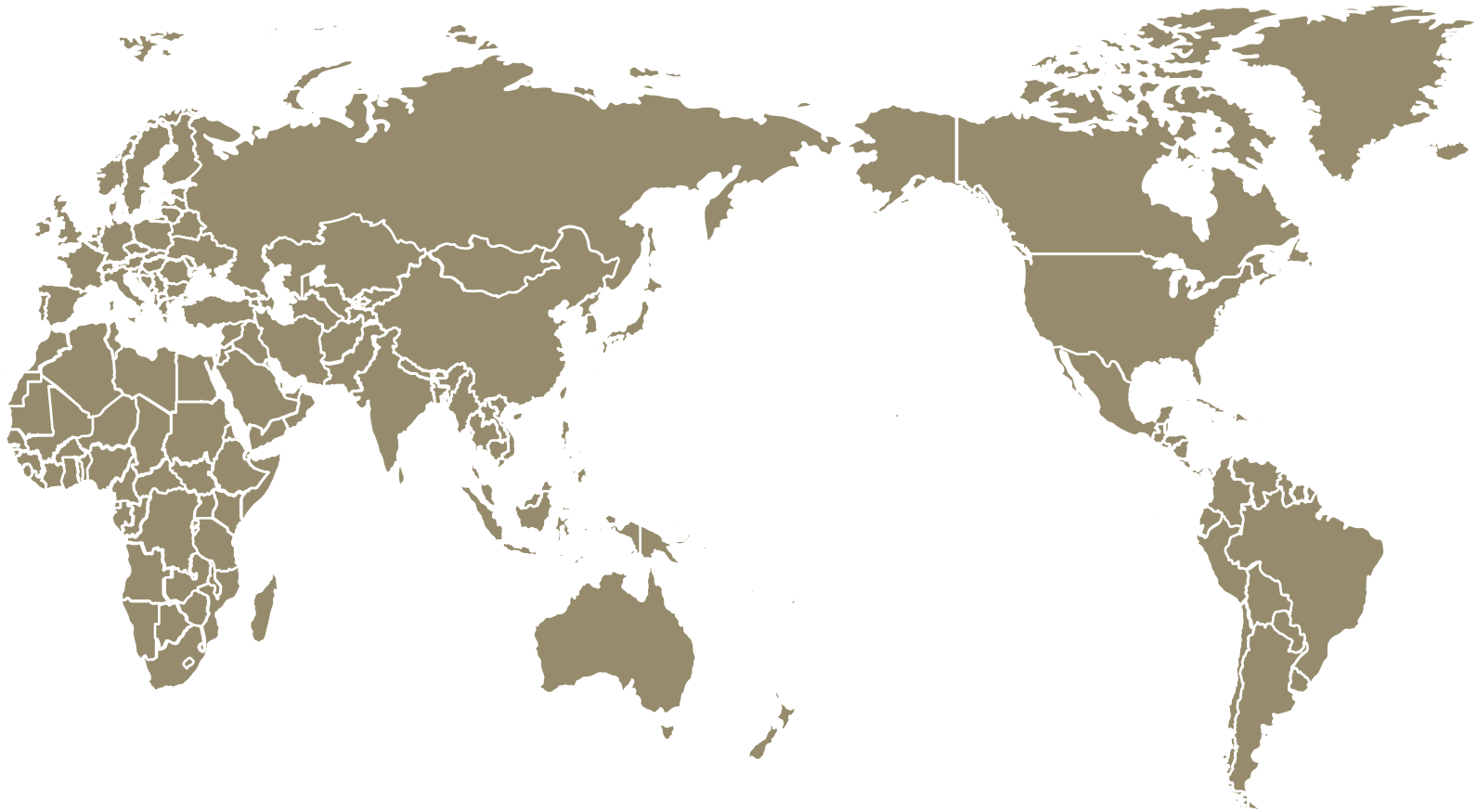
The right levels of engagement, ownership, energy and passion

- Own the project internally supporting the creation and execution of an 'innovative and best in class' reward & benefits strategy
- Driving stakeholder management and organisation wide engagement

Remember that you view of the world at the centre



Might be very different to your global colleagues



Issues to consider

Strategy

- Ownership.
- Decision making for framework, branding, structure and communications toolkit.
- Strategic Reward framework.
- Approach to branding.
- Success criteria.

Support partner

Phases

- Big bang vs phased (phased country (ies) and/or functionality).
- Specific country rollout.
- Timescales.
- What happens if deadlines not met by local team?

Project teams and approach

- One super team vs localised teams.
- Regional buy in/resistance – what have the lessons been historically?
- Local discretion vs centralised decision making.
- Stakeholder management – group, local, unions, data providers, project teams.

International considerations

- Content strategy (transnational vs local).
- Broking approach.
- Tax advisory.
- Information security and hosting (particularly China).
- Language and currency strategy - what is the standard client approach?
- Employee mobility (inpats/expats).

Issues to consider (cont'd)

Communications

- Creation of Reward Brand(s)
- Framework for brand ownership
- Toolkit for localisation and rollout

Data considerations

- Mapping master systems (what is where?)
- Availability and frequency of updates – automated vs manual (how do we get to it)
- Provisioning of data, validation, processing

Access to the right people across the business including:

- Dedicated Project Management
- Local Reward/Benefits/HR representatives (if applicable)
- Information security
- IT/data management
- Communications

Need to focus on carefully planned execution

Focus on execution and implementation

- Emphasis on implementation over design – 80:20 weighting.
- Simplify where possible, do not over complicate.
- Ensure activities represent a clear signal of change throughout the organisation.
- Changes should be cascaded from the top down.

1

Take stakeholders with you

- Be clear how this links to business strategy.
- Think like a local.
- Identify critical behaviours that support your strategy – encourage to ‘act like owners’.
- Leadership role modelling is essential.
- Reward the ‘how’ not just the ‘what’.

2

Focus on quick wins, but build long term value

- Prioritise high impact short term gains to build engagement and momentum.
- Be clear of and ensure focus on the longer term ambitions and objectives.

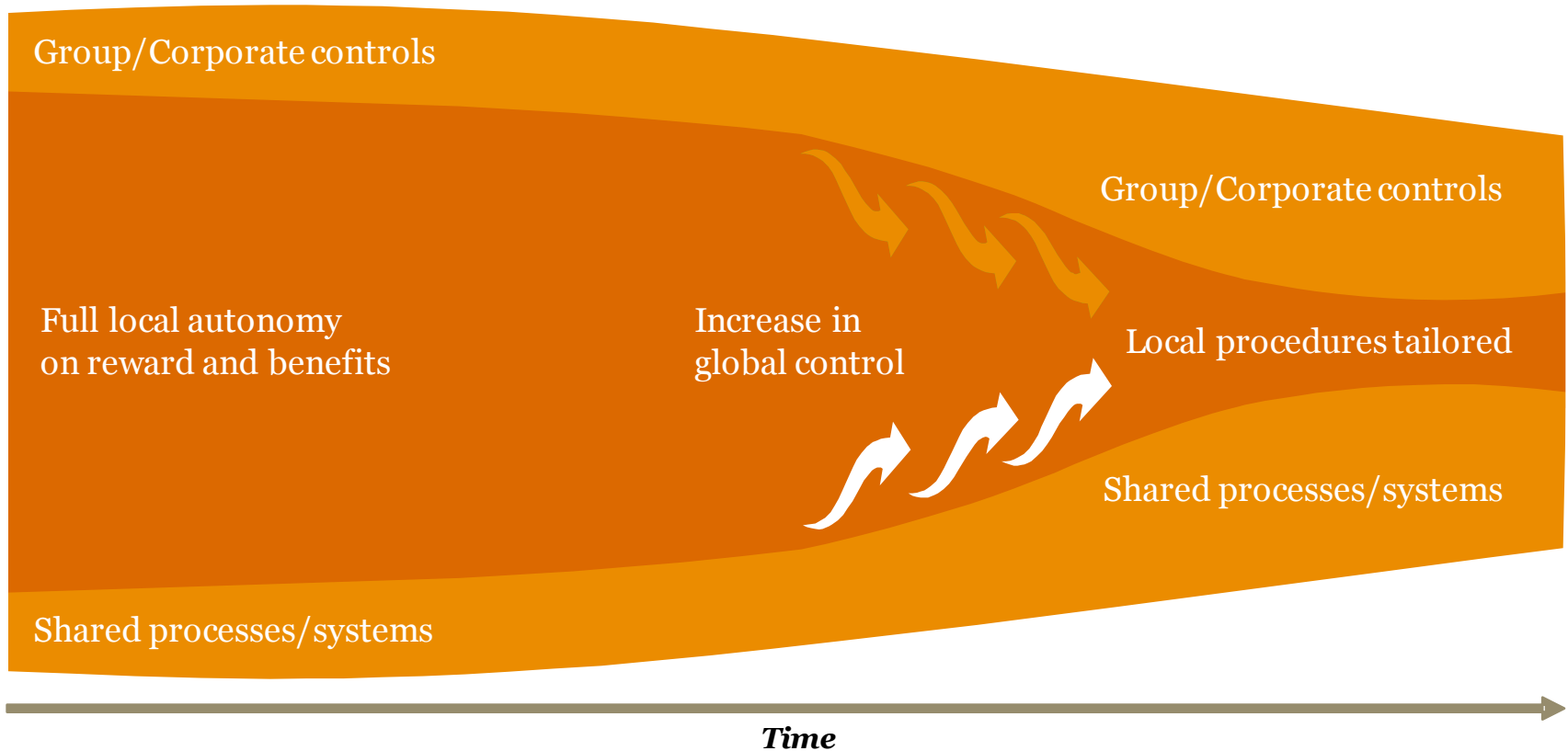
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Create a change in mindset

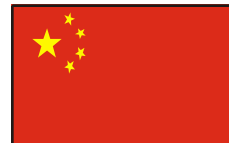
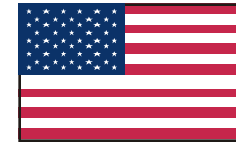
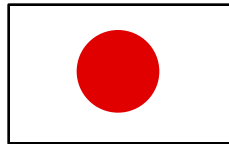
- Gradual evolution.
- Take people on the journey.
- Reward success and introduce consequences for failure.

4

Getting the balance right



Use technology to drive efficiency and maximise ROI



*Single branded
reward and
benefits portal*

1

*Communication
and total reward
statements*

2

*Online benefits
management*

3

*Increased choice
and flexibility*

4

Pillars of success

Design and financing

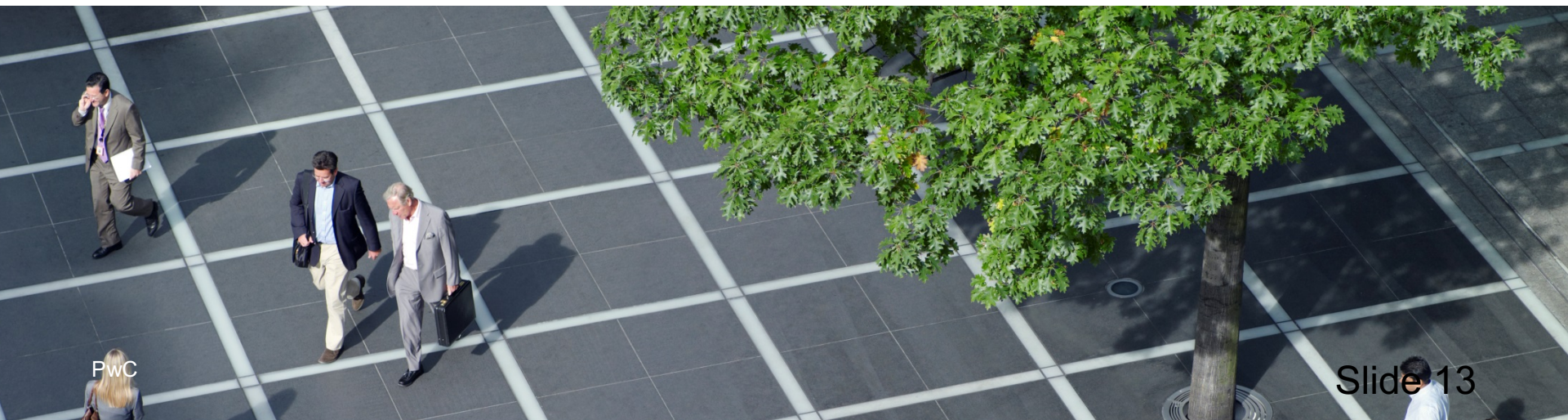
- Select the right strategic approach
 - Multinational pooling
 - Global pricing
 - Captive insurer
- Cross border procurement
- In country procurement

Delivery efficiency

- Core HR systems
- Reward and benefits platform
- Consolidating relationships with providers

Governance

- On-going process
- Transparency and control of costs
- Ensure compliance with local regulatory requirements



Communication is key

You need to understand your audience across all cultures, educational background and levels of financial awareness.

Need to show employees

- The benefits a global reward and benefit plan gives to the employees.
- Align the global strategy with employee interests.
- Encourage loyalty from employees in the Company's overall success.
- The company understands the differences across territories on a cultural basis.

Communicate to employees to ensure

- Employees fully understand the benefits of the scheme.
- That the complex is made simple.
- That the message on a technology platforms is received by all. Not all employees are digital.
- There is appropriate level of engagement across the company.
- The existence of the schemes create a positive impact for the Company.
- The plan is for the long term and can be built upon.

No message ever lands in a vacuum – What else is going on locally that could impact the message

The communications challenge

***Complexity
can distort
a message***

At a deep level plans are complex. Everyone will take part in a 'global scheme' but each country will have its own technical requirements. How can you engage each employees in a the overall messages, whilst clearly communicate key technical content at a local level? With employees having a real financial interest at risk the balance needs to be careful managed.

***Not
everyone is
digital***

With geographically spread workforces online or digital content seems the obvious answer. But what if people don't have easy access to a computer or they're not comfortable accessing information online? How do you engage with everyone wherever they are on the digital spectrum?

***Not
everyone is
financially
literate***

Someone working in a senior management role in the US is likely to have a good understanding of their finances. They're likely to own shares already, or at least be familiar with the concept. An employee working in rural China where share ownership is uncommon is much less likely to understand. So how do you create content that works across this spectrum?







***No message
ever lands
in a
vacuum***

How does the announcement of the share programme coincide with other communications happening within the organisation? Are there any external announcements that could have an impact? In order to provide a clear and consistent message to employees it's important to consider the bigger picture.

***It needs to
work for
the long
term***

It's vital that the launch has the desired impact. But most schemes are going to be around for years. How do you make sure that the communication will work for the long term?

Understanding your audiences is key to success

<i>US Board member</i> 	<i>UK senior manager</i> 	<i>Swedish office worker</i> 	<i>Chinese factory worker</i> 	<i>Brazilian senior manager</i> 	<i>Malaysian office assistant</i> 
Age: 54 Location: New York What they care about: <ul style="list-style-type: none">• Employee take up of scheme• Share price growth• Employee engagement	Age: 44 Location: London What they care about: <ul style="list-style-type: none">• Value for money• Employees understanding scheme• Making money	Age: 27 Location: Stockholm What they care about: <ul style="list-style-type: none">• Long-term wealth creation• Investment performance• Medium risk	Age: 35 Location: Beijing What they care about: <ul style="list-style-type: none">• Sharing wealth with family• Savings• Low risk	Age: 50 Location: Sao Paolo What they care about: <ul style="list-style-type: none">• Secure jobs• Fair pay• Sticking to promises to employees	Age: 30 Location: Kuala Lumpur What they care about: <ul style="list-style-type: none">• Secure jobs and career development• Good pay• Transparency from senior leaders

How communications has changed?

There are a number of trends driving significant change in communications. These are important to keep in mind when developing a communications strategy.

- People are more connected.
- We're all exposed to too much information, so we're filtering more effectively.
- People expect two-way communication rather than broadcast messages.
- Cynicism of corporate messages is high.
- People use multiple devices every day.



Thank you

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