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Communicating
Rewards: Where
we go wrong and
how we can
improve

What are you communicating about your reward system?



Problem of communicating rewards

- Employees are unsure about their pay & benefits
- Pay seen as inequitable\not commensurate with performance
- Employees feel pay should be fair:
 - ❖ in relation to their personal contribution
 - ❖ to what others are being paid in the organisation
 - ❖ to what other organisations are paying for the same job
- Understand **expectancy theory** of motivation:
 - ❖ what employees expect to get which will motivate them rather than what they already have



Communicating reward in the Middle East

- Secrecy tends to prevail.....but
- Everyone seems to know what everyone else is earning!!!!
- Basic policy information may be provided
- Progressive companies do provide information on grading structures
- Communication of bonus schemes often vague
- For managers, pay is often the only solution



Manage employees expectation

Role\job size

Market pay

\$

Performance

Ability to pay

Communication and reward survey

- Reward communication is important, it affects:
 - ❖ company performance
 - ❖ motivation
 - ❖ employee satisfaction
 - ❖ retention
- Most employees have a limited understanding of reward
- Don't understand how pay ranges, average pay rates and performance targets affect them
- Companies are not very effective at communicating reward information

Problems with implementation & communication

- Lack of support from senior management & HR!!!
- Lack of measures or their validity
- Communication limited to memos\general meetings
- Poor project management
 - ❖ timing
 - ❖ is reward a 'lead' or 'lag' system?
 - ❖ communication planning!!!!
 - ❖ dealing with questions and issues
 - ❖ technology platform
 - ❖ duration of system
 - ❖ pilot or full roll out
- Measuring results & making adjustments



“Its better to implement a poorly designed reward system well, than to implement a well designed reward system poorly”

Example of good implementation – Production section bonus scheme

- From a group to a section specific scheme
- Had validated targets & measures
- Used visual management
- Tested the scheme
- Challenge of multiple complex measures [e.g.](#)
- Maximum bonus 3 months pay
- Average group bonus from 0.8 months to 1.7 months
- Production yield and cost per ton best in the Group



Section bonus scheme – reasons for success

- Good design
- Support of production managers and superintendents
- Self funding
- Used to the measures
- Project planning and roll out
- Communication:
 - ❖ briefed all managers and superintendents
 - ❖ briefed all supervisors
 - ❖ briefed all employees, in own language
 - ❖ used posters
 - ❖ targets and progress on section boards – weekly
 - ❖ showed bonus achieved – monthly



Training managers in our reward systems

- Recognised that managers need to be trained
- Decisions & discussions on pay with managers difficult
- Understand and contribute to pay decisions
- Developed a handbook for managers

But.....

- Senior HR team wanted to delay launch
 - ❖ concerned about questions and problems raised!!!
 - ❖ HR don't have resources\knowledge
 - ❖ will cause problems with Trade Unions
- All jobs evaluated but could not communicate
- Managers were already quoting grades for jobs

Successful implementation – Communication Planning

- Training developed by Mercer – Managers and HR
- Communication planning:
 - ❖ defined the various audiences; their needs and issues
 - ❖ obtained buy in from the various key stakeholders
 - ❖ agreed the core messages
 - ❖ developed detailed Q & As
 - ❖ identified the media channels to use by audience
 - ❖ developed a timeline of communication to all audiences
 - ❖ identified who would communicate and when
 - ❖ integrated into a project plan for the launch
- Pilots to be run to test and adjust training

Communication Planning is critical

Draft Communication delivery plan - communication of C&B to managers

Audience Segment	One Way/ Two Way	Media Source	Frequency/ Timing	Comments	Next Steps	Content Owner	Process Owner
Comex	One way	Presentation	One off	Advising them of communication plan & gain their support for roll out to managers		JMA\HW	SB
	Two way	Presentation	Bi-monthly	Update on progress & to deal with issues	Regular update and feedback	JMA\HW	SB
Leadership Teams	One way	Presentation	One off	Outlining the need to communicate C&B to managers & gain their 'buy-in'	roll out with each leadership team	JMA\HW	SB
	Two Way	Presentations	Bi-monthly	Update on progress & to deal with issues	Agree roll out & monitor progress	SB	local HR teams
HR VP's	Two Way	Discussions	One off	one to one discussions to assess degree of support\concern	set scene for formal presentation	HW\SB	SB
	One way	Presentations	One off	Present need to communicate C&B and a communication plan		JMA\HW	HW\SB
	Two Way	Discussion	One off	how C&B will be communicated in their region	follow to address issues	HW\SB	SB
	Two Way	Presentations	One off	presentation of training , communication plan and booklet	make adjustments based on feedback	HW\SB	SB
Operational HR Managers	One Way	e-mail	one off	outline the communication plan and timelines and what has to be achieved	Draft communication	SB	SB & VP HR
	One way	Presentation	One off	Presentation of the training, reasons for communicating, the timelines etc	Draft presentation	SB\HW	SB & VP HR
	Two way	Conference call	monthly	Update on progress and to deal with Q&A		SB\HW	SB & VP HR
All Managers	One way	e-mail	one-off	Outline the aim of the communication and the roll out plan	Draft e-mail	SB\HW	SB & HR managers
	One way	Article	One off	Communication of project	write article	SB	HW
	Two way	Presentation	on going	Training presentation on C&B to managers	draft presentation	SB	HW
	One way	Booklet	One off	Refinement of C&B booklet for managers	Finalise booklet	SB	HW
	Two way	Meetings	On going	With key managers to make sure the knowledge has been taken on board and to answer any questions or queries	Q&A list	HR Mgrs & SB	SB\HW
Trade Unions	Two way	Meetings	on going	To discuss the C&B communication and its benefits		VP HR Europe	SB\HW
	Two way	Presentation	One off	Presentation on the project and what its trying to achieve	Draft presentation	SB	SB\HW\ VP HE Europe
Shareholders	One way	Discussion	On going	to outline the aim of this communication and its progress		JMA	SB\HW

- Gain buy-in of key stakeholders
- Recognise needs of various audiences
- Plan communication down to the last detail
- Use all media – social media
- Communicate, communicate & then you know what you do?

COMMUNICATE AGAIN!!!!





Questions?

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