

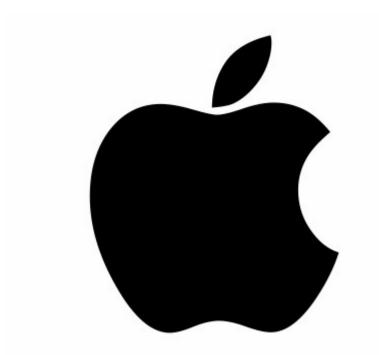
## Reward communication

Shifting the performance needle

CABURN HOPE







### Communication = outcome

Bees = honey

Ants = organised behaviour and productivity

£750m advertising = £95b sales





# Nobody ever buys communication...

# they buy **the results** it achieves













































What will people have to change to move that performance needle?



# Behaviours



A REVOLUTION DOESN'T HAPPEN WHEN SOCIETY ADOPTS NEW TOOLS, IT HAPPENS WHEN SOCIETY ADOPTS NEW TOOLS, ADOPTS NEW BEHAVIORS.

# Engagement

".....researchers have made huge strides in understanding human behaviour and motivation over the past decade. But few businesses are actually applying these discoveries to finding, and keeping, star employees...."

"As a result, companies miss opportunities for growth and revenue because they don't understand the impact of human nature in the workplace."

Gallup 2015



# Engagement

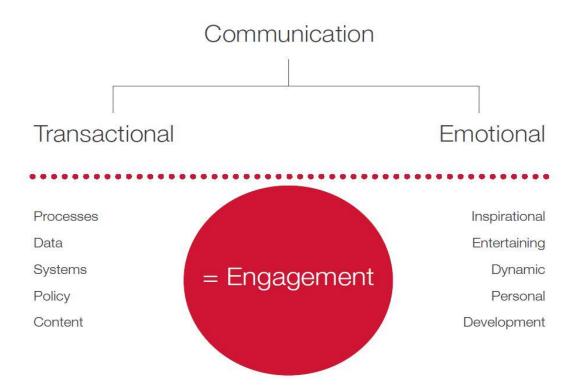
"59% more growth in revenue per employee is doable".

"Some companies are seeing 147% higher EPS than their rivals".

"There also is a theory that gathering and processing more information will lead to better decision making".

Gallup 2015

## Communication Transactional Processes Data Systems = Engagement Policy Content



# Apple



# Screen with one button

#### **Features:**

185.7mm x 241.2mm
Weight - 652g
264 pixels per inch
Dual-core A6X chip
Headphone jack
Backside illumination

Price: £399 each





#### Your Personal Total Reward Statement

Statement Date : 08-MAY-2012

#### Currency = Pound Sterling

	Total Reward Summary	
Overall Amount		177,317.0
Reward Items		
Basic Salary		Amoun 130,000.00
Profit Share		17,455.2
Flexible Benefits Fund Remaining		12,251,3
Retirement Plan		15,600.0
Accident Insurance - Core Benefit		78.0
Healthcare Plan - Core Benefit		399.1
life Assurance - Core Benefit		418.6
ncome Protection Insurance - Core Benefit		516.10
Healthcare Plan Dependants - Choice Benefit		598.68
Holiday Trading - Brief description		390.00
Additional Voluntary Contributions to Pension	material from Contracting the section of	
ATTENDED TO THE PARTY OF THE PA		The second section of the second
Employee Assistance Programme		
Eye Tests		
Family Benefits		
nterest Free Season Ticket or Bicycle Loan		
Maternity and Paternity Benefits		
Medical Screening		
Seasonal Flu Vaccinations	TO THE RECOMMENSAGES AND ADDRESS OF THE PARTY OF THE PART	
Personal Pension Statement	The state of the s	
Professional Subscriptions		
Well Woman Screening		
	Total Reward	177,317,02
		1111
Profit Share Allocation		
		Amoun
Profit Share Allocation		519.50
	Total Reward	519.50
Holiday Entitlement		
		Amoun
Annual Leave		25 Day
folidays Bought		20 00)

# How can Reward communication change behaviours?

Relevance

Competitive

**Aspirational** 

**Brand** 

**Impact** 



# Future of Reward communication



### Future of Reward communication

Employer Value Proposition

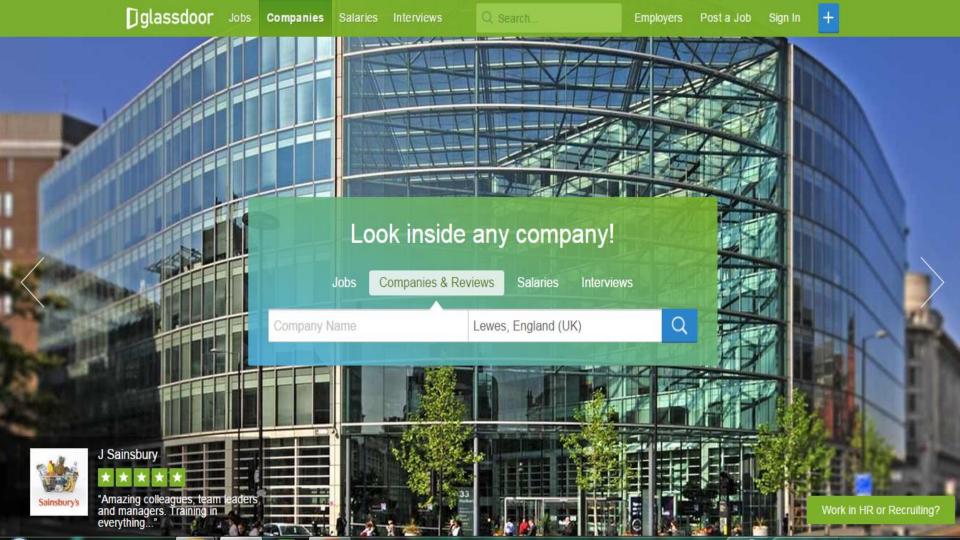
What does your company *stand* for?

Does your Reward strategy match your values?



### **Future**

- 1. Transparency
- 2. Community
- 3. Ethics
- 4. Social media
- 5. Insight, data and understanding



	GENERATION	SILENT	BABY BOOMERS	GENERATION	MILLENNIAL GENERATION	GENERATION
Years	Born before 1936	1937–1945	1946–1964	1965–1976	1977–1993	1994–
Ages	76+	67–75	48–66	36–47	19–35	18 and younger
Major Events	WORLD WAR II GREAT DEPRESSION	WORLD WAR II  GREAT DEPRESSION  ADVENT OF TV, TELEPHONES	CIVIL RIGHTS WOMEN'S LIBERATION COLD WAR	VIETNAM WATERGATE ADVENT OF MTV	AIDS TECHNOLOGY	9/11 IRAQ/ AFGHANISTAN WARS MARKET CRASH
Major Traits	FORMALITY UNIFORMITY COOPERATIVE PUBLIC INTEREST OVER PERSONAL GAIN	RESPECT FOR AUTHORITY LOYAL HARD WORK	EXPLORE OPTIMISTIC WORK-CENTRIC	INDIVIDUALISTIC FLEXIBLE SKEPTICAL OF AUTHORITY	TECH- COMFORTABLE FAMILY-CENTRIC OPTIMISTIC	MISTRUST IN POLITICAL SYSTEMS ALWAYS CONNECTED MULTI-TASKERS

# Current need for Reward communication

"Businesses are struggling to find the right candidate for the job. This competition to secure talent has created a job hunters' market, with pay growth reaching a three month high".

Jan 2015 Phil Cotton, Chairman, KPMG LinkedIn data:

start preparing (your EVP) for increased growth





are spending more on **brand** to raise awareness



because increased belief in **impact** 



difficulty recruiting **quality** candidates



increased competition

# Enterprise/HRIS platforms

 Brilliant and necessary tools as they are, they are not communication tools

• They improve process, streamline efficiencies, but will anyone get excited about joining a company because it has a great management tool?

# Reward communication today

Delivers **EVP** 

Builds equity in the Reward proposition

Embeds Reward philosophy across a diverse workforce

Changes behaviours through emotional commitment and buy-in

Provides added value and a competitive advantage

## Reward communication today

Develops self reliance through educated and informed workforce

Creates energy

Encourages community and social interaction

Reduces risk

Enables workforce to be more productive





# Solutions

How are organisations viewing Reward as a performance tool



**HOW IT WORKS** 

WHAT DO I GET?

SHARE STORIES

G GLOBAL f 💆 🖾



SHARES

0 0 1 7 2 3 SHARES REMAINING

**BUY SHARES** NOW

'We want everyone at Unilever to have the opportunity to be part of our success. That's why we are offering to match your commitment - with a free share for every three you buy.

You are already part of a unique global story and a business that aims to make a real and lasting difference to the world. With Project Sunlight we have pledged to invest in a brighter tomorrow - I encourage you to take the next step and share in our future."

Paul Polman, CEO

WATCH THE FILM











#### LATEST STORIES



What's it all about? The benefits explained.

**Buy Shares Now** Click here to invest in the future.



**Project Sunlight** We believe in a brighter future for our children.



Our History Find out how the Shares scheme fits in with our legacy









#### SHARES

Buy 3 get 1 free >> 123



HOME WHAT'S IT ALL ABOUT?

HOW IT WORKS WHO CAN ENROL? ENROL & ACCESS SHARES ACCOUNT

INFORMATION HUB























### "Lorem ipsum dolor sit amet, consectetuer adipiscing elit."

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Aenean commodo ligula eget dolor. Aenean massa. Cum sociis natoque penatibus et magnis dis parturient montes, nascetur ridiculus mus.

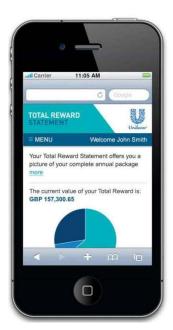




















## Arup

#### Your Personal Summary

#### At a glance:

NR: this summary is based on UK reward information by Arup at 03 June 2015.

Basic salary SS7,950,00
Profit share ES,040,08
Fixetile Benefits Grade Related Allowance ES,970,00
Your Gore Reports

 Pensonal Accident Cover
 £20,43

 Life Assurance
 £290,45

 Ange UK Rethamant Plan
 £8,954,00

£77,695.96

Basic subsey

Your sensual subsey is £57,950.00 per ansum, based on your
sensual subsites hours

Profit share.
We're very proud that Arap remains a completely independent
from it matter we're free to make rewards a high proofity and to
tring you a share of the firm's profits. Our Global Profit Share
achieme emanest that your hand work is recognized every year.

Now profit share payment for the firancial year 2014/2015, ps in November 2014, in £5,040,08. Under the Global Profit Shar scheme rules you were not slightle to perioquie in the schem for the June 2015 payment.

The date are an appropriate.

Profit there are a stage of the appropriate and appropriate and

Arup UK Retirement Pt

Arep UK Retinement Plan.
To help build your retinement flust, Arep currently contributes
15% into the plan (as thosen in the table above), and you
are contributing 6% of basic salary. The total contribution is
£10,431.00. You can change your contribution rate at any time
of the ware.

Additional Voluntary Contributions
You have opted to make additional voluntary contributions to
your retirement plan of £579.50.

Other Physiceth and Allowances
You correctly receive other allowances in recognition of your othat are not included in this statement.

Annual Lores
Ver paid armal leave allowance is 25 thys (pro-exted where appropriate). You can buy or sell armal leave forecast the annual flocible benefits emeriment. This, combined with the ability to carry over or combine year annual leave extiferents, given you mere notation of your worklife balance.

both financial and non-financials

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It is for this reason that we believe that a paper-based tot important to illustrate how much we value your committe

Please read your Total Reward Statement carefully, and it questions about your employment package, then don't be

Alan Belfield Chair, UKMEA Region



Arup:

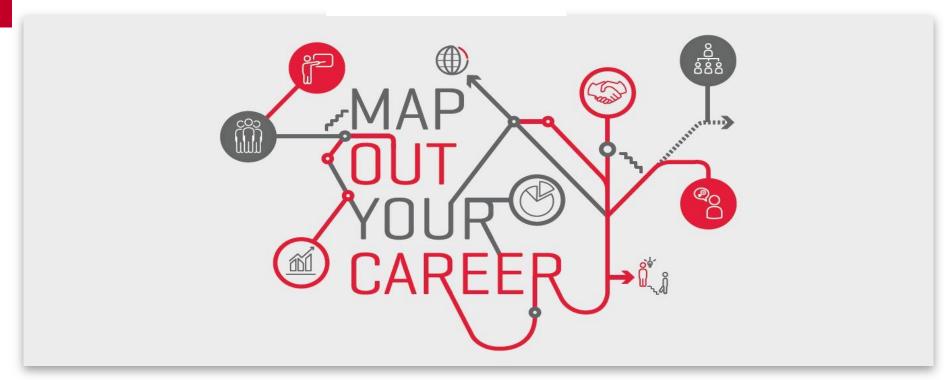
A more rewarding place to be

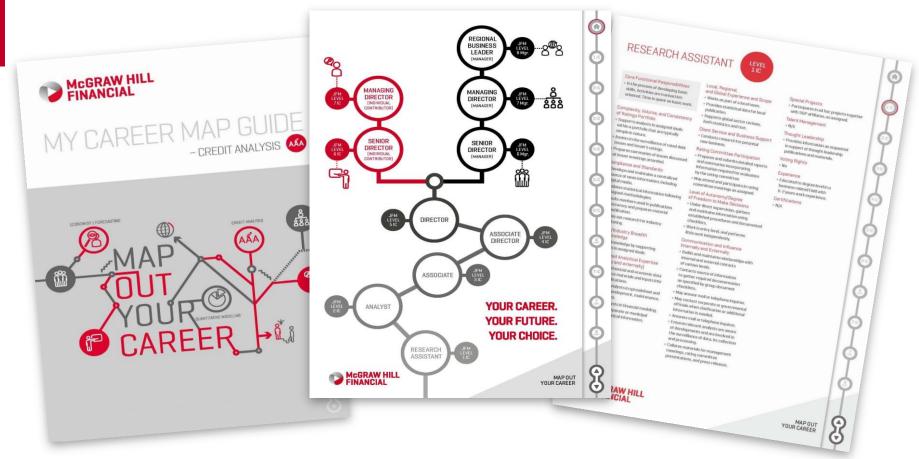


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THE FRAMEWORK MY CAREER MAP RESOURCES NEWS Q & A CONTACT

#### Welcome to My Career Map

Look to the future. Discover a new path.







#### Be ambitious. Be inspired. Be yourself.

My Career Map brings you a clear way to plan your personal development and advance your career with McGraw Hill Financial.

Based on our robust new Career and Rewards Framework, you can browse and understand all the roles that exist within McGraw Hill Financial. You will be able to investigate and consider all the doors that are open to you - whether that is in management, deeper into your area of knowledge or across in a new direction.

My Career Map has been designed to encourage mobility, smooth transitions and support your professional growth. It will help you to move your career forward and hone your skills in a precise and targeted way. In turn, it will strengthen our market position and better equip us to develop our business. We hope you will seize the opportunity to maximize your part in our success story.





### Be ambitious. Be inspired. Be yourself.





#### Welcome Joe, to your career at McGraw Hill

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> Sed in mollis mi, non aliquet tellus. Ut sed placerat urna, at vehicula ipsum.

#### MY CAREER MAP

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#### 45%

Congratulations! You have passed 9 out of 20

of your milestones towards your goal of Senior Director (Analytical Team Manager 1)

Upcoming Opportunities

Review your goal | Set a new goal

Media Training and Public Speaking » When: 29/09/2014 Where: London HQ

Media Training and Public Speaking »

#### This is about you

#### Your Advice Network



#### Your Total Reward at a Glance



Salary

Long term incentives Pension ■ Benefits

Total (GBP)

£6,000 £3,034 £1,283 £71,442

When: 29/09/2014 Where: London HQ Course

Course

E-learning

Media Training and Public Speaking » When: 29/09/2014 Where: London HQ

See all opportunities »

Invite more colleagues »

See the full breakdown »

#### Latest videos



In general:

86% of employees who receive clear communications are more motivated to deliver added value

Whereas only 36% are motivated to deliver added value where communication is confusing

Gallup 2014



M&S – with over 21 million people visiting their stores each week, they employ over 78,000 people globally

Stores with improving engagement delivered an average of £62 million more in sales to the business every year, compared to stores with declining engagement.

The more engaged stores also showed better staff attendance, with absenteeism 8% lower in the most engaged third of stores.

Source: Kennexa





Conducted an employee engagement survey. Findings showed the highly engaged branches:

- Met or exceeded financial targets 40% more often than dealers who reported lower levels of engagement
- Recorded a higher level of customer loyalty by 5.3%
- Had a 71% lower voluntary turnover rate
- Experienced higher technician productivity by 4.5%
- Lowered technician-related rework by 60%
- Recorded three times fewer accidents

Source: Kennexa



Sears – American multinational department store chain.

"By enabling employees to see the implications of their actions, it changed the way everyone at Sears thought and acted. The bottom line reflected this changed behaviour: the merchandising group"

### Result:

From a loss of nearly \$3 billion to a net income of \$752 million.

- Harvard Business Review

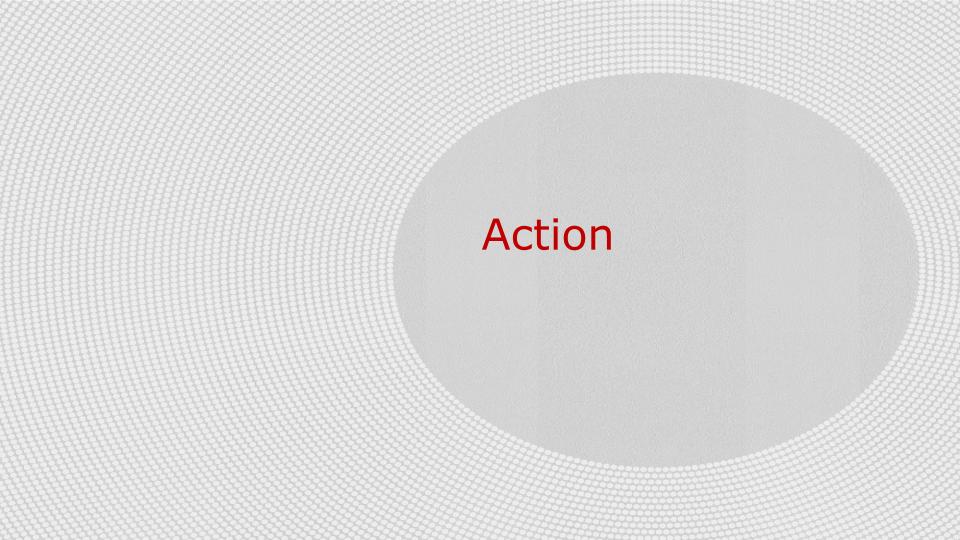
"a store manager whose engagement scores increased by 5 units, could expect a 1.3 unit increase in customer impression (satisfaction) followed by a 0.5% increase in revenue growth."

### Outcomes

- 1. I understand the purpose of my role.
- 2. I have the opportunity to do what I do best every day.
- 3. The business seems to care about me as a person.
- 4. The business is encouraging my development.
- **5.** I recognise the mission or purpose of my company.
- **6.** I recognise the **opportunities** at work to learn and grow.

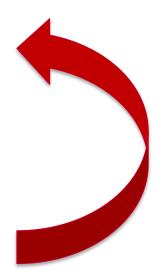
Demonstrating a number of **behavioural characteristics** attributed to an **engaged** and productive workforce





### Checklist for 'moving the performance needle'

- 1. Objectives
- 2. Review
- 3. Plan
- 4. Deliver
- 5. Measure



## The objectives of Reward

- 1. Competitive advantage attract, retain and engage the best talent
- 2. Maximise cost efficiency and productivity
- 3. To pay the right people in the right way
- 4. Support business and HR strategy/goals
- 5. To drive individual performance

## Review – Purpose?

- 1. v. HR and business objectives
- 2. Gap analysis
- 3. Effectiveness

### Questionnaire (extract)

TOPIC: REWARD & RECOGNITION					
3	Res	ponses	Comment /		
Question:			benchmarking		
How does the	1	We communicate this through payslips only.			
business communicate benefits to employees?	2	We communicate this through payslips and supply provider information.			
	3	We communicate this through payslips, supply provider information and produce a booklet for new starters.			
Responses Comment / benchmarking  1 We distribute the terms and conditions from the benefit provider.	4	We communicate this through payslips, supply provider information, produce a booklet for new starters, and do an annual printed statement for senior managers.			
	5	We communicate this through payslips, supply provider information, produce a booklet for new starters, and do an annual printed statement for all employees.			
	6	We communicate this through payslips, supply provider information, produce a booklet for new starters, and do online statements for all employees.			
	7	We communicate this through payslips, supply provider information, produce a booklet for new starters, and do online statements for all employees, supported by some awareness communications.			
	8	We offer personalised and targeted, brand aligned communications which are part of our broader comms programme.			
	9	No answer			

### Assessment criteria

- 1. Relevance (tailored for region/grade and targeted/personalised to individuals)
- Message (collaboration, global organisation, regional team, value of HR as a service provider)
- 3. Alignment with business vision and values
- 4. Emotional side of the deal
- 5. Transactional side of the deal

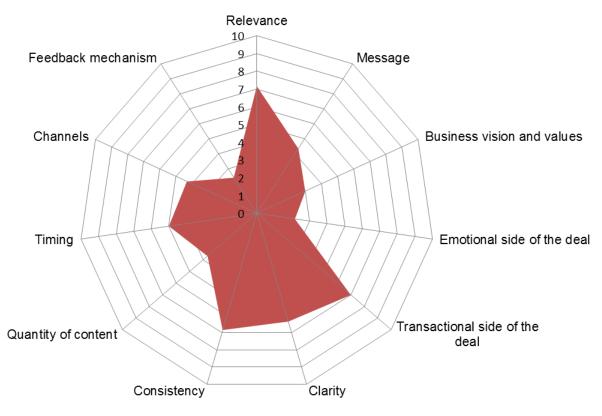
- 5. Clarity
- 6. Consistency
- 7. Quantity of content
- 8. Timing
- 9. Use of channels
- 10.Feedback mechanism

### Areas of focus

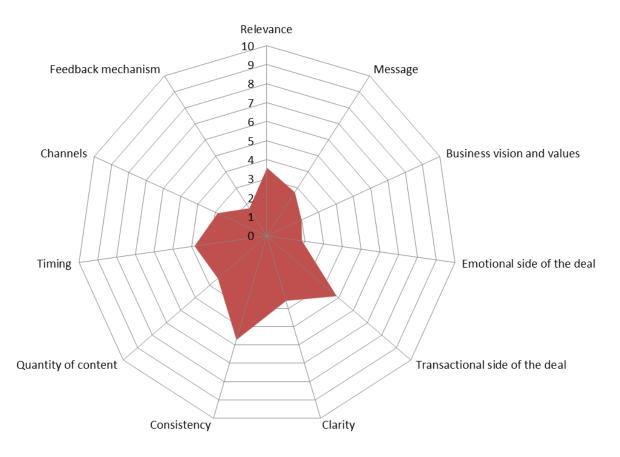
- 1. Total Reward package
  - a. Total Reward Statement
  - b. Salary review
  - c. Benefits
  - d. Profit share
- 2. Line Manager communication
- 3. Leadership communication
- 4. Learning and development

- 5. Performance management
- 6. Onboarding
- 7. Graduates
- 8. Mobility
- 9. Talent attraction

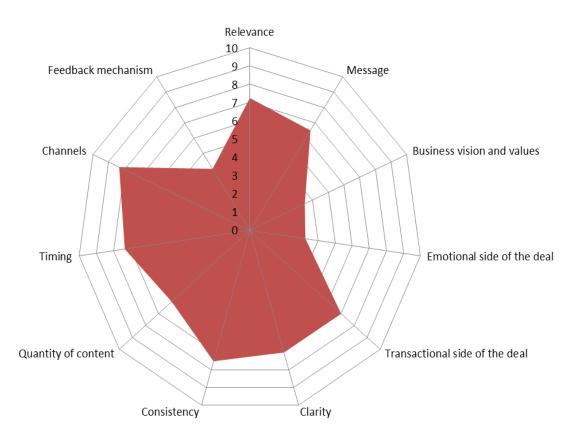
## **Total Reward**



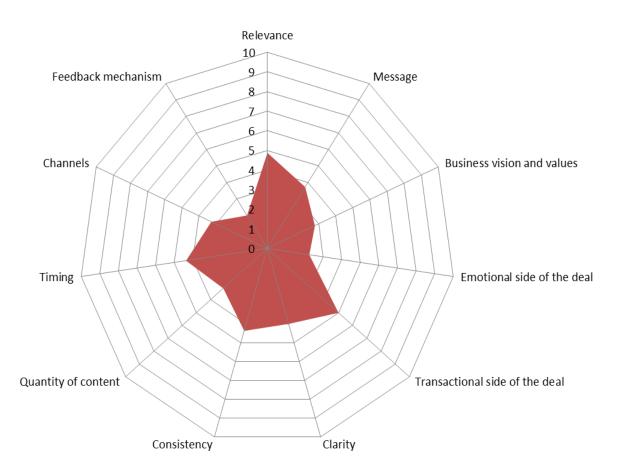
## **Benefits**



## Talent attraction



## Overall



## Strategy and planning







Research	Concept Development	Define Behaviours	
Analysis	Environment	Define Audience	
Reporting	Creative	Define Channels	
Recommendations	Platform	Map Out Employee Journey	
	Tools	Measure	
		Refine Evolve	
COMMUNICATE	COMMUNICATE	COMMUNICATE	



# Impact!

## Deliver



Amadeus Reward Portal



Your Total Reward



Spotlight Recognition



Total Direct Compensation Modellers



Centrica Your Total Reward



ChelloZone (Liberty Global) Your Total Reward



International Compensation Hub



♥用 ☞ ♥ 米 秀

First Direct Your Total Reward



●用 章 學 米 秀

Kellogg's Your Total Reward



McGraw Hill Financial Job Levelling and Career Paths ♥ □ ☆ ▼ 米 犬



Your Total Reward and Reward Identity



Long Term Incentive Portal



Rentokil Initial International Workday Launch



"Being Bothered" Recognition Scheme



Long Term Incentive Portal



Pension Change Communication



Your Performance Your Reward Portal



Global Reward Identity



























## Measure

1.Survey



### Outcomes

- 1. I understand the purpose of my role.
- 2. I have the opportunity to do what I do best every day.
- 3. The business seems to care about me as a person.
- 4. The business is encouraging my development.
- 5. I recognise the mission or purpose of my company.
- **6.** I recognise the **opportunities** at work to learn and grow.

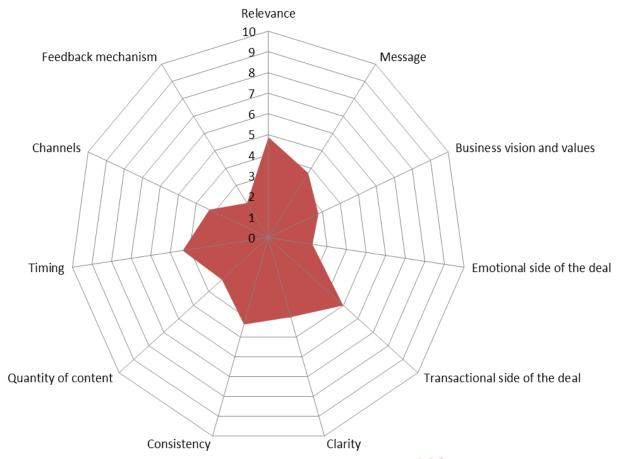
Demonstrating a number of **behavioural characteristics** attributed to an **engaged** and productive workforce



## Measure

- 1.Survey
- 2.Audit/review pre and post campaign/project/period

## Overall



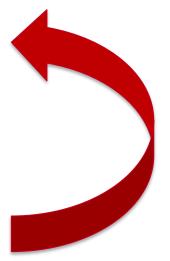
### Measure

- 1. Survey
- 2. Audit/review pre and post campaign/project/period
- 3. Real-time feedback/sentiment analysis
- 4. Gap analysis
- 5. Benefits uptake
- 6. Workshops/focus groups
- 7. HR space analytics
- 8. Attendance to leadership events
- 9. Anecdotal feedback
- 10. Less requests to HR



### Checklist for 'moving the performance needle'

- 1. Objectives
- 2. Review
- 3. Plan
- 4. Deliver
- 5. Measure



PERFORMANCE DOESN'T HAPPEN
WHEN COMPANIES ADOPT NEW TOOLS,
IT HAPPENS WHEN EMPLOYEES
ADOPT NEW BEHAVIOURS.



Chris Hopkins Managing Director & Lead Consultant

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