



**How Total Rewards drive Employee
Engagement & performance, builds HR
strategically**



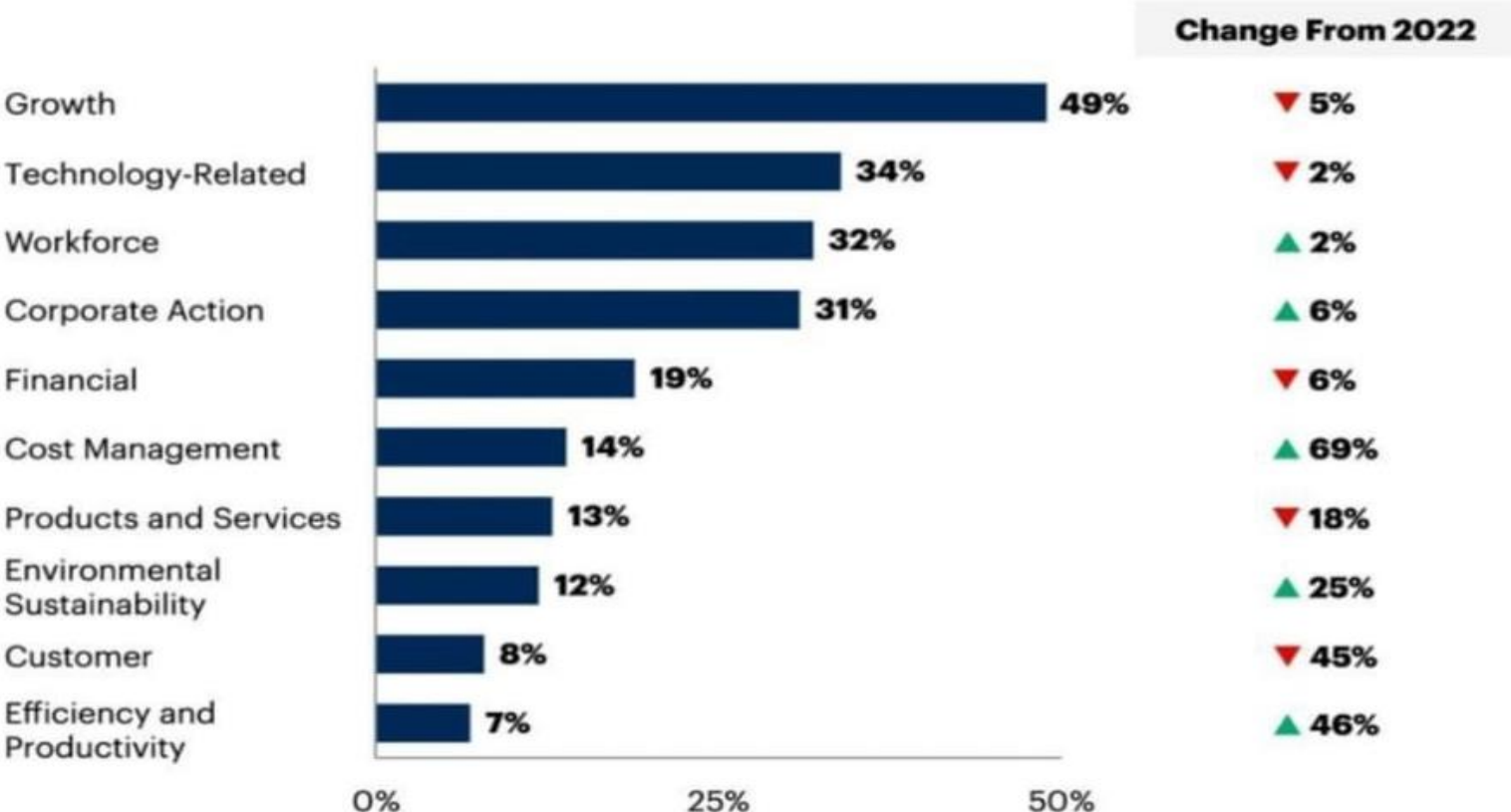
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Agenda

- **Understanding the Total Rewards umbrella**
- **Why Total Reward programs and structure matter**
- **Driving employee engagement, performance through Total Rewards programs (examples)**
- **Understanding the science behind Total Reward programs-**
- **How Job Evaluation impacts the entire HR value chain (case study)**

CEO Strategic Business Priorities for 2023 and 2024 — Top 10

Summary of Top 3 Mentions, Coded Responses



[gartner.com](https://www.gartner.com)

n = 422, all respondents
Q. To start, please tell us about your organization's top five strategic business priorities for the next two years (2023 and 2024).
Source: 2023 Gartner CEO and Senior Business Executive Survey
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Top 5 Priorities for HR Leaders in 2023

Gartner surveyed more than 800 HR leaders across 60 countries and all major industries to identify their priorities and challenges for 2023. The largest share of respondents put “leader and manager effectiveness” on their list, but many HR leaders will also prioritize organizational design and change management, employee experience, recruiting and future of work.

01 Leader and Manager Effectiveness

60% of HR leaders
prioritizing



02 Organizational Design and Change Management

53% of HR leaders
prioritizing



03 Employee Experience

47% of HR leaders
prioritizing



04 Recruiting

46% of HR leaders
prioritizing



05 Future of Work

42% of HR leaders
prioritizing



Note: Percentages represent the share of respondents naming the priority.

n = 860 HR leaders

Source: Gartner 2023 HR Priorities Survey

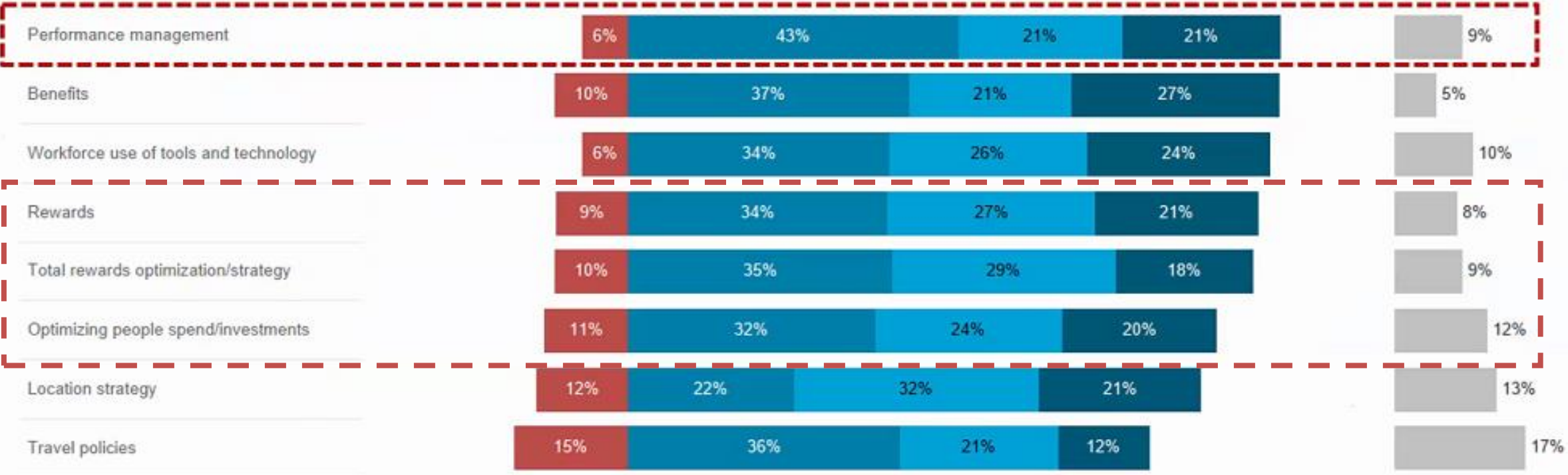
Total Rewards Optimization & Future Of Work

Performance Management and Talent Retention remains as one of the top people issues across Tech companies in Asia.

Question:

As your organization prepares to implement future-of-work strategies, which of the following **people investment** issues or programs are you or will you re-evaluate or update in light of the pandemic? (170 respondents)

■ None ■ Improving existing initiatives only ■ Primarily planning for new initiatives now ■ Already implementing new initiatives now ■ Unsure



CHRO Strategic Roadmap: Company in Hypergrowth

State of HR Now

- *Operating Expense per FTE*
- *Average Span of Control*
- *% of Employees with Role Clarity*
- *% of Employees with Clarity on Cultural Principles*
- *Employment Brand Strength*
- *Time to Fill*
- *Recruiter Requisition Load*
- *Quality of Hire*
- *Applicant Ratio*
- *Pipeline Size*
- *Turnover Rate*
- *Intent to Stay*
- *Employee Engagement Scores*
- *Staffing Rate Composition (fulltime/part-time/contractor)*
- *Executives Bonus Actual to Potential Rate*
- *Change communications effectiveness*

Top Human Capital Strategic Initiatives

1. **Develop a dynamic strategic workforce planning capability** that defines roles, skills and competencies at each phase of growth to support the evolving organization's needs
2. **Develop future state organizational design** for each phase of growth, considering changes in levels, capabilities, operating models and functions
3. **Revisit and sharpen culture** so that there is clear guidance on how to manage cultural tensions and provide teams and leaders with a strong understanding of the expected values, mindset and behaviors in a fast paced & changing environment
4. **Relaunch our EVP** to present a differentiated deal that attracts the right candidate and generates strong pools of talent, while retaining the right employees by consistently delivering on that deal
5. **Embrace a robust talent acquisition function and capability** with frictionless & efficient processes, technology and resources to achieve superior recruitment outputs in terms of quantity, quality and speed of recruiting to deliver on ambitious recruiting targets
6. **Enhance internal mobility and explore alternative employment model options** to allow for the right mix of build, buy, borrow of human capital to de-risk growth, by having alternatives resources and employment models that add flexibility and contingency
7. **Recalibrate your rewards plan** to include benefits that address the symptoms of burnout and project-based bonuses and LTI and multiplier plans to drive retention and foster growth goals
8. **Overinvest in change management** as it shapes, communicates and generates feedback loops so that every company member has vision and a chance to provide feedback on where are we going, the agility to adjust along the way and understand what is expected of them

State of HR in 3+ years

- *Set targets for 3+ years*



We don't need
a HR Strategy !!

What we need is
for HR to become
strategic !!

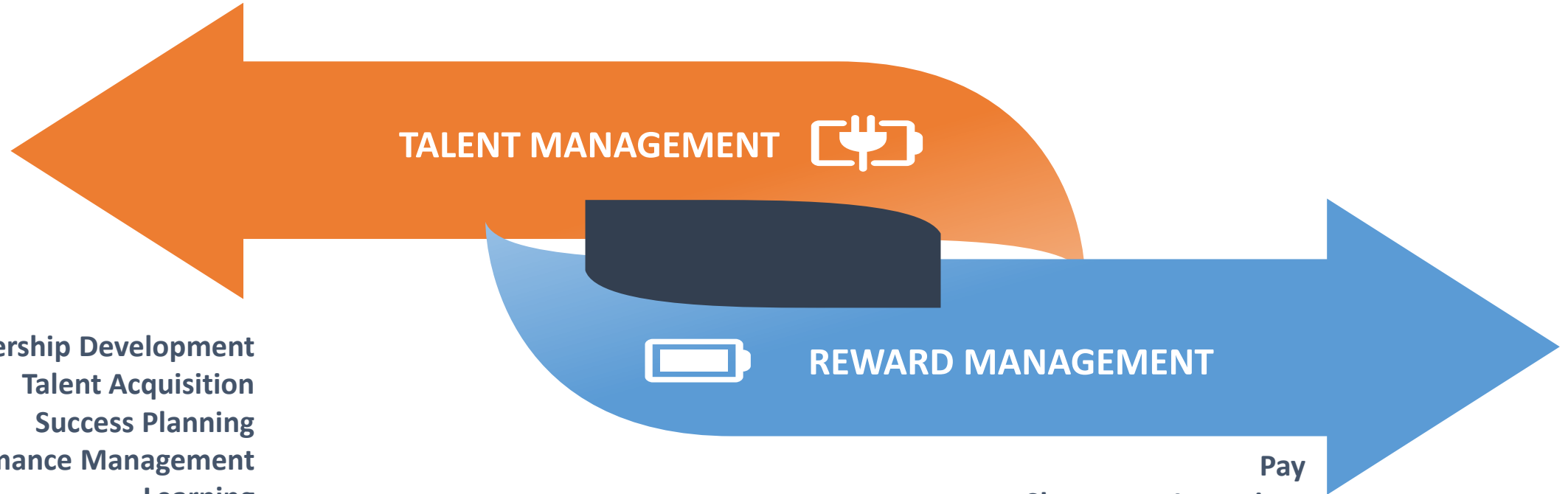


Total Rewards



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Talent and Reward

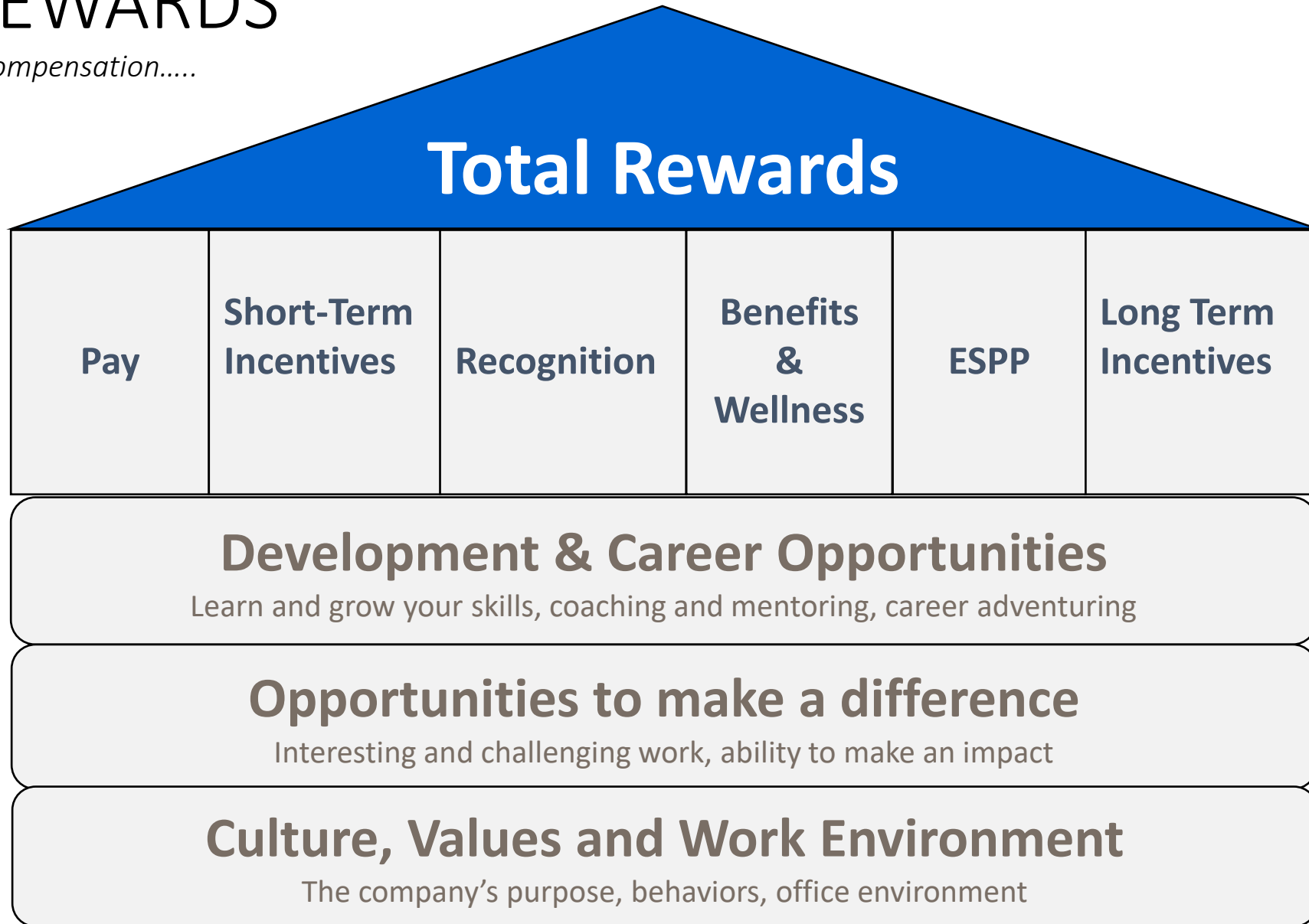


- Leadership Development
- Talent Acquisition
- Success Planning
- Performance Management
- Learning
- Workforce Administration
- Career Development
- Onboarding
- DE&I
- People Analytics

- Pay
- Short term Incentives
- Long Term incentives
- Recognition Plans
- Job Sizing / Evaluation
- Org Design
- Benefits
- Wellness Offerings
- Performance Management
- Pay Analytics

TOTAL REWARDS

It's more than just compensation.....





Engagement

Employment Cost

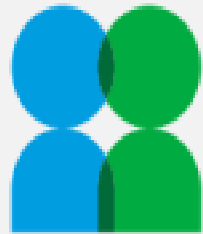


Driving Engagement and Performance



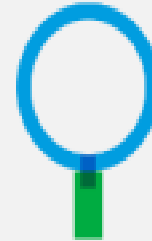
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The rewards experience is ready for reinvention



Unhappy employees

Only 55% believe they are fairly compensated and 50% believe better performance drives better pay*



Lack of outcomes

Time intensive merit processes have not effectively paid for performance nor made progress on competitiveness or equity



Skills will reshape how and what we reward



Shifting towards a more flexible definition of work



Performance will be measured differently



Skills to become the universal structure for valuing work

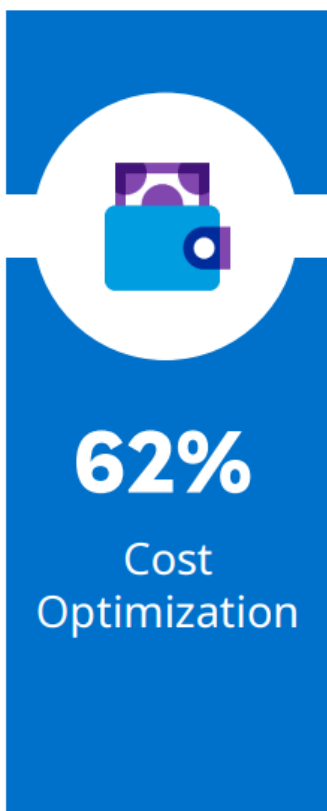


The Changing Landscape of Benefits

Key Drivers for Change

71%

OF EMPLOYERS IN ASIA ARE
REVIEWING OR CHANGING
THEIR BENEFITS PACKAGE
THIS YEAR...



1 in 2

employees (50%) want to work for an organization that offers responsible rewards, 49% prefer an organization that protects employees' health and financial well-being, 37% are motivated by strong corporate values, mission and purpose, and 36% favor companies that focus on social equity and environmental protection.



Figure 8: Employees know what's important to their futures — are employers listening?

78% want long-term financial planning (e.g., retirement path, earnings at retirement)

... but only

23% of companies say they provide financial education for employees today

65% of employees want financial wellness education targeted to different groups

and just

19% offer more financial education than they did before the pandemic

71% of employees want a midlife checkup for health, wealth and career

... but only

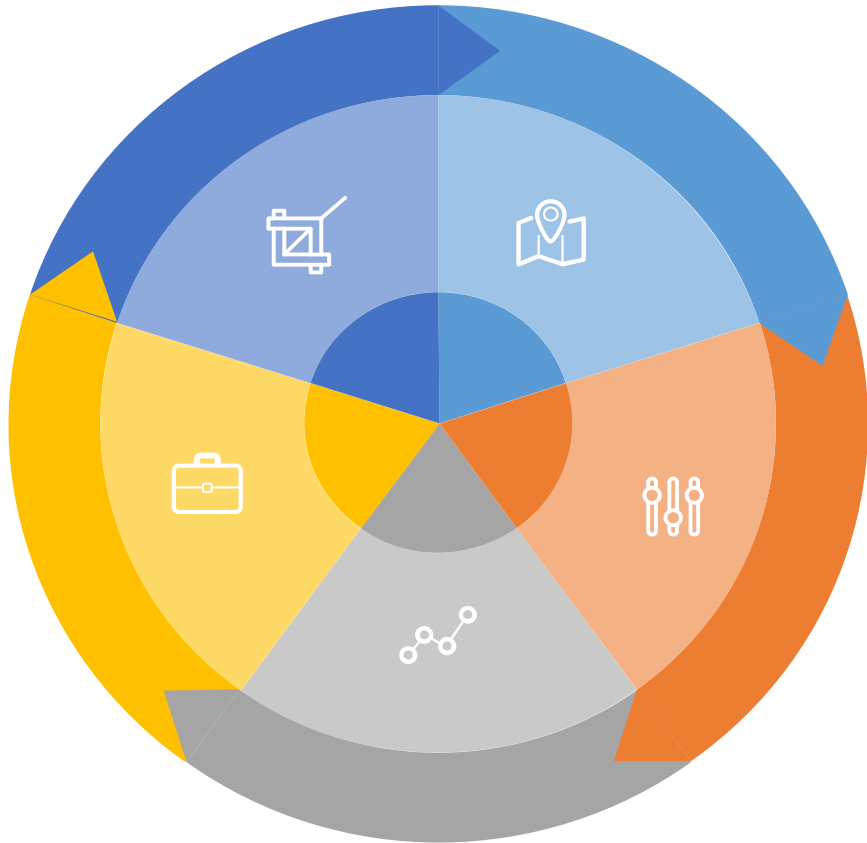
31% of organizations offer support to managers to have career conversations with people across all life stages

Engagement and Performance

Performance Management	Holistic Wellness	Pay Differentiation	Pay Equity
<p>A framework that focuses on making managers better coaches. Ensures and mandates continued communication between managers and employees. Rating-less?, emphasis on immediate and constant feedback</p>	<p>Combined benefits and wellness strategy underpinned by 4 strategic pillars. Our offering to employees are linked to each of the 4 pillars. Physical, Emotional, Finance and Family.</p>	<p>Targeted positioning for critical roles, top and critical talent. Ensure pay differentiation based on performance but also skills vs market</p>	<p>Monitor pay equity through data driven models that looks at variety of factors before making pay decisions that impact pay equity. Shifting from a performance based model to job based model</p>



Performance Management done right



● Productivity

15% increase in employee productivity compared to those without

● Engagement

20% increase in employee engagement

● Turnover

Up to a 25% lower turnover rate

● Profit

10% or more increase in profitability

● Development ROI

20% or more return on investment through improved skills

- 15% increase in customer satisfaction scores.
- 10%+ increase in market share

Upstream: Manager - Employee Relationship

Downstream: Performance driven reward (Ratings or no ratings)



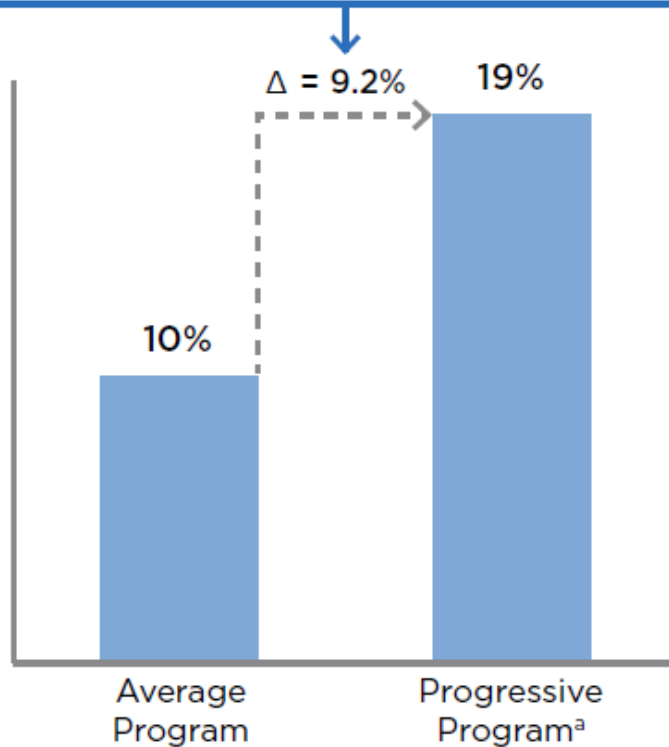
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HOLISTIC WELLBEING IMPACTS ENGAGEMENT

Impact of Wellbeing Program on Employee Engagement

Change in Employee Engagement

Organizations can improve the impact of their wellbeing programs on employee engagement by up to 9.2% using the strategies included in this brief.



n = 6,033.

This 9.2% Increase in Employee Engagement from Improving Your Wellbeing Program Is...



...three times the impact of providing vision and dental plans.



...twice the impact of matching employees' charitable donations.



...five times the impact of offering commuter benefits.



...comparable to the impact of letting employees choose their own hours.

n = 7,248.

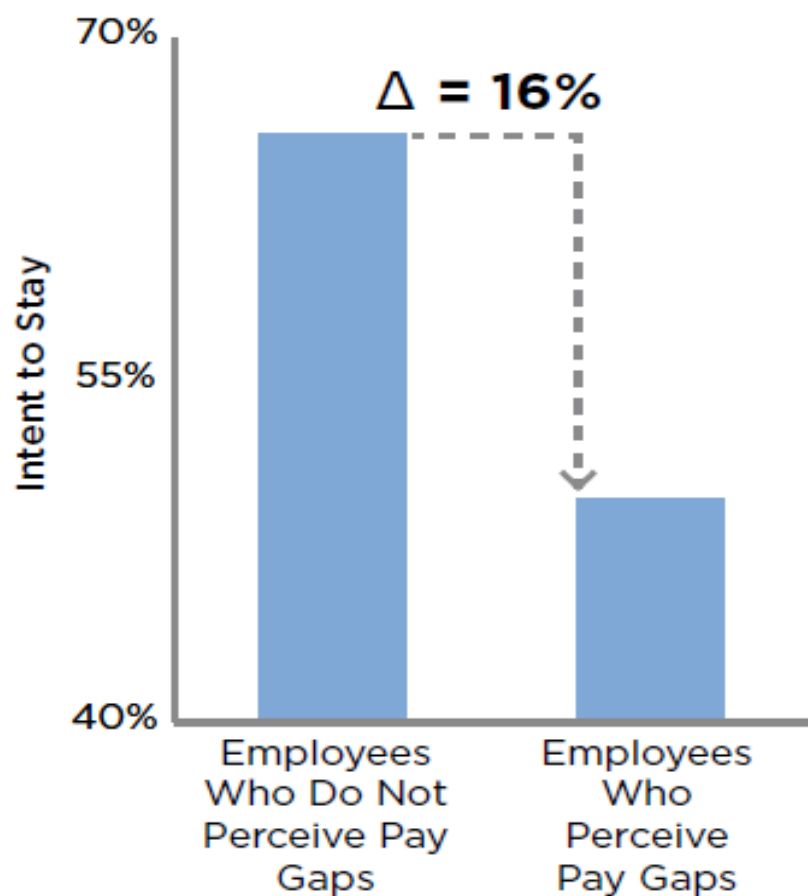
Dr Tamazur
Naya Jeevan

We wanted to see a 5 points difference between critical and non-critical talent

Category	Question	Difference between critical & non-critical talent
eSat - Happy	How happy are you working at <company>?	8 points difference
eSat - Recommend	I recommend <company> as a great place to work.	
Growth	I have good opportunities to learn and grow at <company>	12 points difference
Career	I have good career opportunities at <company>	6 points difference
Role	My role is an excellent fit with my strengths.	6 points difference
Culture Environment - Impact	I feel my efforts are making an impact on company performance.	8 points difference

THE DANGER OF PAY GAP PERCEPTIONS

How Harmful to Retention Is Perceiving a Pay Gap?



$n = 21,189$.

Perceiving a Pay Gap (a 16% Decrease in Intent to Stay) Is...



...equivalent to perceiving a **56% decrease in manager quality.**



...equivalent to believing you could earn **30% more** doing the same job at another company.



...**50% worse** than experiencing a **pay freeze.**



...**20% worse** than experiencing a **reduction in benefits.**



The Science



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Performance vs Job Based Pay

Performance Based	Job Based
<p data-bbox="614 682 1472 819">Most common way of determining and progressing salaries. Annual increases and promotion increases are tied to performance.</p>	<p data-bbox="1531 582 2440 919">Salary progression and promotion increases are pegged to the job. High performance doesn't necessarily translate to high salary increase. Salaries are determined evaluating the skills the employee has for that job. Employees doing the same job with a similar skill set will have the same pay and roughly the same salary increments.</p>

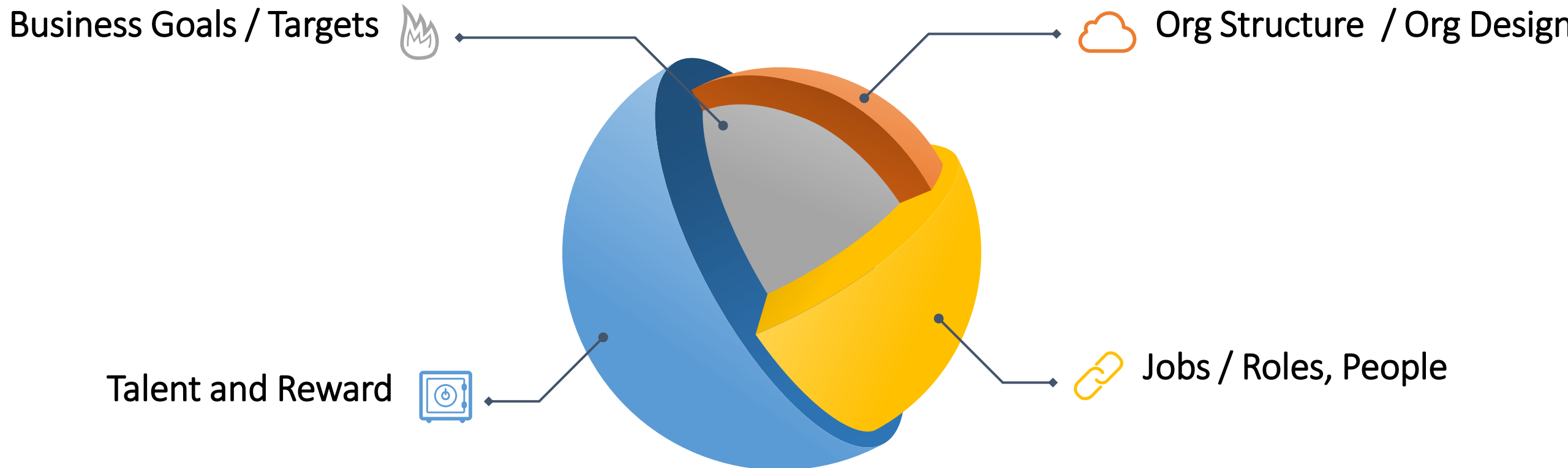


Org Design and Job Evaluation

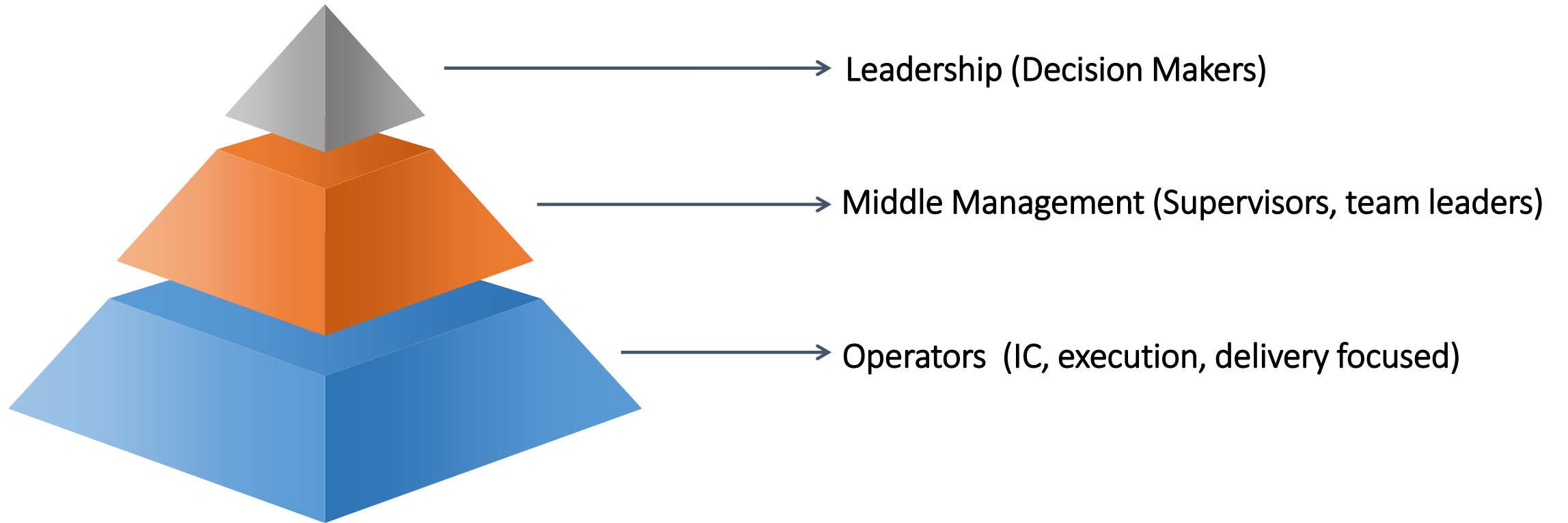


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People Integrated Framework



Org Structure



Org Design Outcomes

Cost Optimization



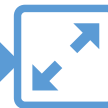
Critical /Niche Skills
Identification, pay premiums



Attraction / Talent Acquisition /
Internal & External Supply /
Succession Management

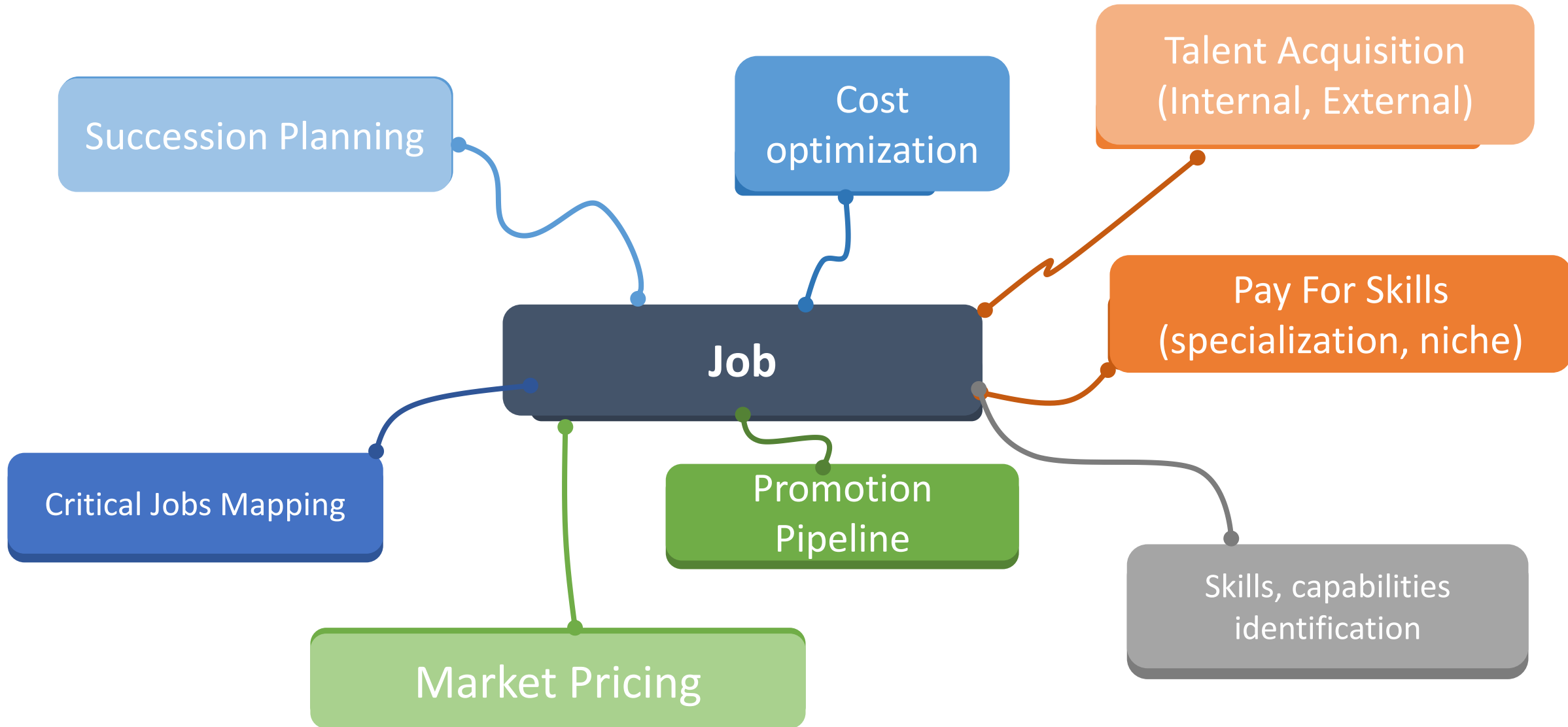


Retention Strategy for critical
Roles and skill sets



Benefits Design/Management
Wellness across 4 Generations
of employees

How Job Evaluation Impacts HR Value Chain ?





Problem Statement

There is very little to no understanding or appreciation of Org Design work and Job Evaluation.

This leads to poor talent management practices and companies continue to have a reactive approach in managing talent challenges.

Not having a JE framework also means your employment cost structure is not optimized.

Companies also struggle to understand and size up special jobs, critical jobs and niche jobs.

Retention of top talent becomes a big issue if JE is not in place

01

Companies need a framework that takes into account the dynamic nature of jobs, ability to correctly look at jobs from a wholistic perspective and ensure that the framework is relevant and effective for jobs today.

The Situation

02

Current job evaluation methodologies have not been updated for many years. We need a system that is able to evaluate single skillset or highly specialized jobs which is becoming the norm. Our tool has two base methodologies: To evaluate typical sales/marketing revenue based roles and the other which is core knowledge/skillset /specialized jobs.

03

Evaluations looks at various factors and not just job responsibility so that a fully holistic view and understanding is made

Why Job Evaluation?

Job Evaluation is both an Art and Science

1. Thoroughly understanding every aspect of the job, including how the job fits within the organization's structure
2. Systematically analyzing job factors and sub-factors through an in-depth job analysis
3. Evaluate each job without getting influenced by individuals doing the job
4. Understanding the company's grading methodology and industry nuances
5. Think about niche skills, critical skills and single skill set jobs vs typical jobs
6. Impacts the entire HR value chain



TAREF

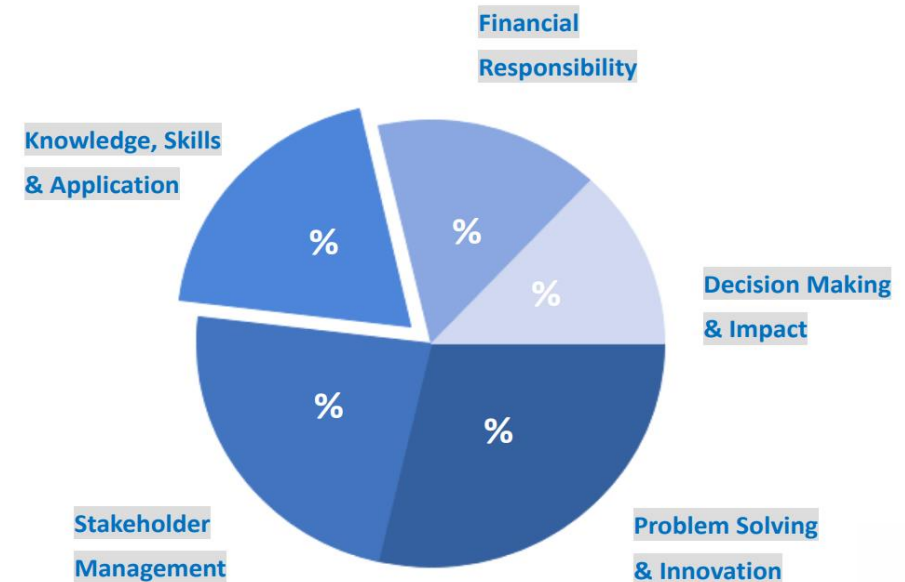
**TAREF
is a
Global
Job Evaluation
Tool**

**Job Evaluation must
be done for Jobs as it
exists today**

We use a 5 factor 360 degree review to understand every job in detail before it is put through our unique, best in class Job Evaluation Methodology

TAREF has been developed after being thoroughly tested against:

- Other existing models
- All types of jobs across all industries
- Niche job across the spectrum



Case Studies

China Analytics Team

60 employee 2 market teams

60% attrition (3X market)

Huge pay jumps

Solving for attrition

Malaysia Consumer business

One of the largest consumer business locally

25% attrition (2X market)

Salary, incentive issue

Org structure issue

Solving for business and employee performance



Questions



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