



Compensation Design and Pay-for-Performance 3.0

VIENNA, AUSTRIA

JULY 3rd - 4th, 2024



COURSE METHODOLOGY

You will be provided with the information you need to make changes to your grading and salary structure. You will have an opportunity to test various ideas and to establish what may work for you. You will also be given access to various tools and techniques, as well as information on the latest trends and developments both in the region and indeed globally. This classroom style course will involve working on practical case studies to gain detailed hands-on experience using the various tools and techniques that will be discussed throughout 2 days.

Pay Strategy, Pay Benchmarking, Compensation Design and Managing Salary Structures as part of Total Reward Management to Meet Business Needs and Drive Employee Performance.



Robert Mosley

*Global Remuneration Expert
and HR Consultant*

CEO of Lemon Pip Consulting Limited
(UK, Europe, Middle East & Asia)





LEARNING OBJECTIVES

The module on **“Advanced Pay Benchmarking and Remuneration Design” (Day 1)** will provide a detailed understanding of the latest advanced best-practice approaches for designing the total remuneration packages for each grade, and benchmarking the remuneration design against an external pay market strategy and market data. This course will give practical guidance to enable you to design and implement your own plans using advanced excel spreadsheets for building a total remuneration benchmark, and achieving better business results through a more effective approach to pay benchmarking and designing compensation plans.

The module on **“Pay-for-Performance” (Day 2)** will provide a detailed knowledge on how to equip yourself with the key C&B skills to motivate employees and reward their performance, and get a better understanding of the latest best-practice approaches for key compensation and reward practices geared towards pay-for-performance. The module will explain how to manage performance ratings and how to analyse the distribution curve of performance ratings, and if necessary, how to use the new approach of “snap-ratio” to manage a forced distribution curve of performance ratings. The module will explain in practical detail how to link pay with performance, especially through the annual pay review process and using merit-pay awards.

CASE STUDIES AND COURSE OUTLINE

You will work on the main approaches for establishing a pay strategy, conducting pay benchmarking (external competitiveness), and designing pay scales and salary structures and learning how to manage the salaries of employees (internal equity). This course will and include the following case studies designed around best-practice companies:

- ▶ Determining a reward policy as part of the HR strategy and business mission and vision.
- ▶ Establishing a reward strategy linked to business strategy.
- ▶ Designing and selecting the most appropriate grading/salary structure.
- ▶ The debate of single bands versus broad-banding.
- ▶ The business benefits of single bands versus broad banding in managing jobs and grades.
- ▶ Establishing pay ranges that are externally competitive with market pay surveys.
- ▶ Managing base salary progression and management of compa-ratios.
- ▶ Key features of performance management and appraisal systems if C&B is to be successful.
- ▶ Learn how to adopt traditional pay review plans to be more selective on pay-for-performance.
- ▶ Learn how to manage the costs of the annual pay reviews whilst rewarding top-performers.
- ▶ Explore the compensation tools that can be used to retain and motivate top-performers.
- ▶ Using retention schemes and recognition plans as a strategic component of reward.

WHAT

OUR ATTENDEES SAY?

“Brilliant course with Robert! Fantastic professional and a great sense of humor! I thoroughly enjoyed the course and learned so much! It’s not often nowadays that this quality and standards of trainers are available! World-class!”

Group Head of People & Purpose
KPS

“Usually, after a typical HR training, I might come back with 1 or 2 good new ideas. Not this training though, I joined the 2-day master-class on Compensation Design and Pay-for-Performance, and it’s probably the best training I ever attended! Digestible key messages, methodology, and practices, all supported by case studies and a wealth of experience.”

Talent & Rewards Partner
Ubisoft

“This course is by far and large one of the best I’ve been. I’ve learnt more than I was expecting, very thorough materials to support, extremely knowledgeable trainer, and excellent delivery.”

Total Rewards Principal
Hovione

“Robert was really engaging, interesting, and extremely knowledgeable. I was impressed with his passion for the course content and how he broke the subject matter down so it was easy to digest.”

Senior Reward Analyst
Red House International

“I loved the multiple case studies / real-life examples provided throughout the event. Not too difficult jargon, I could really tell Robert knew what he was talking about, and he communicated very well (clear & direct). Also, the content shared to take home with you, e.g. excel tables, and hand-outs were very valuable!”

C&B Manager
EVS Broadcast Equipment

“The clarity of explanations, materials provided, and the interaction during the course was exceptional!”

Compensation & Benefits Manager
Terumo BCT Europe



KEY BENEFITS OF ATTENDING

- **Increase** your business performance and employee effectiveness through implementing compensation and reward systems that attract, retain and motivate staff
- **Align** your basic salary structures and grades and compensation and reward systems to your business objectives and human resources strategy
- **Discover** practical steps for implementing a grading system with a pay strategy and a basic salary structure and pay scheme, or how to update your existing compensation structures
- **Develop** solutions for your own compensation and reward issues and challenges based upon practical case studies and interactive course and clinic discussions
- **Opportunities** for networking in the breaks with your fellow course delegates and course tutor to discuss practical issues that will help you in your workplace



WHO SHOULD ATTEND?

This course is designed for everyone who requires an in-depth knowledge of pay strategy, pay benchmarking, designing pay scales and compensation structures, and managing salaries of employees as part of a Total Reward framework. This includes anyone who needs to be involved in compensation and salary structures, including all employees in HR at an “intermediate” or “advanced” level of VPs / Directors / Managers / Specialists / Analysts / Generalists, and this course is designed for all managers and professionals and specialist who work in any area of HR and all specialists in HR who work in Compensation and Remuneration and Rewards.



Pre-Requirements:

This course is designed as an “intermediate and advanced” course in compensation, and delegates should already have practical knowledge and experience of working with the main “fundamentals” of managing compensation including knowledge about Pay Strategy, Grade Structures, Market Pay Levels and Benchmarking, Designing Payscales and Salary Structures, Calculating Compa-Ratios, and simple Payscale Formulae (such as the single-step approach of 80% - 120% for min - max pay ranges and the double-step approach of 70% - 130% for min - max pay ranges).

Laptop (with Excel):

Participants are required to use a laptop computer, as this course uses several excel spreadsheets.

AGENDA

All times are expressed in Central European Time (CET) on the Agenda



Introduction: 9.00 AM - 9.30 AM

--- Session 1: Introduction and The Key Components of Pay Market Benchmarking

- The golden triangle of Reward Management (jobs, people and performance, and pay markets)
- Why is compensation and reward management important?
- The role of grading structures and salary structures in compensation and reward
- How grading structures and salary structures have developed Globally over the past ten years
- The four necessary ingredients for successful remuneration design:
 - » Pay Strategy
 - » Market Data
 - » Grade Structure
 - » Number of Months

Coffee Break: 10.30 AM - 11.00 AM

--- Session 2a: Ingredient-1 of Pay Strategy

- Understanding the key Definitions, Statistics, and Modern Approaches
- Knowing the key pay components and defining the appropriate pay market
- Selecting the right pay market position and understanding sector pay
- Determining a pay strategy benchmark and reward strategy

--- Session 2b: Ingredient-2 of Market Data

- Understanding different types of market pay surveys and definitions
- Knowing how to interpret and utilise external pay market survey data and pay surveys
- Using survey data from consultants or gathering your own survey data
- Using salary surveys and market pay benchmarking tools in salary structure design

Lunch Break: 12.30 PM - 1.30 PM

--- Session 3a: Ingredient-3 of Grade Structure

- The role of job evaluation and the main job evaluation systems
- The internal role of job evaluation to develop the grading structure
- The external role of job evaluation to enable pay market benchmarking
- Building the grade structure and determining how many grades
- Understanding “single-step” and “double-step” grades
- The new trend back towards more grades to manage costs and improve employee careers
- The future trend of “agility” and what are agile grades and agile payscales?

--- Session 3b: Ingredient-4 of Months

- Are you designing for 12 or 13 or 14 guaranteed months (plus variable bonuses / incentives)

Time for Some Stretching: 3.00 PM - 3.30 PM

--- Session 4a: Advanced Pay Benchmarking on “Total Cash Package” and on Each Component

- Bringing all 4-ingredients together to design advanced total remuneration structures
- Practical exercise on building a spreadsheet to analyse “total remuneration” for benchmarking
- Selecting a grade structure and a basic salary structure to meet your needs
- Benchmarking on “total cash package” and on each component (salary, bonus, allowances)

--- Session 4b: Designing Salary Payscales and Compensation Structures

- Establishing the midpoint of the pay-range for each grade based on the pay strategy
- Determining the minimum (fair value) and maximum (economic value) salaries for pay-ranges
- The various calculation formulae for determining minimum-midpoint-maximum in pay-ranges
- The single-step approach (80%-120%) and the double-step approach (70%-130%)
- Defining and using compa-ratios and managing pay-ranges and position-in-range

End of Day 1: 5.00 PM

AGENDA

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Day 2 Kick-off: 9.00 AM

Session 5a: Implementing, Managing New Grading Structures and Salary Structures

- The role of management in implementation and the role of the HR and reward specialist
- Managing progression through a pay range and managing compa-ratios (internal equity)
- Using paycales in recruitment, progression, promotions and associated pay policies
- Coping with employees who reach the maximum of their paycale and lump-sum award

Session 5b: Advanced Techniques for Managing Market Pay Premium

- Advanced concepts for managing salary structures and advanced design of paycales
- Different options for managing “pay premium” for specialist roles:
 - » Adjusted basic salary paycale or specialist grades with dedicated paycales
 - » Additional skills premium allowance or market allowance
 - » Using ranges-within-ranges or using restrictive compa-ratio ranges
- Advanced concepts for managing salary structures and advanced design of paycales



Coffee Break: 10.30 AM - 11.00 AM

Session 6a: Agile Performance Management and The Goal of Linking Pay To Performance

- The role of performance management and performance appraisals to develop employee ratings
- What motivates and retains an employee?
- Latest trends in “Agile Performance Management” and “Next-Generation PM”
- Modern trends on annual appraisal meetings and monthly informal 1:1 discussions
- Agile Next Generation Performance Management: The Death of Performance Appraisals
- What is happening to KRAs and annual KPIs, and why should we move to MSCs
- How does continual assessment of objectives (monthly milestones) work?
- The balancing act of objectives/KPIs and competencies/behaviours in the appraisal ratings

Session 6b: Managing Performance Ratings and Performance Distribution Curves

- Current best-practice approaches to performance appraisal rating scales
- How many points should you have in your performance appraisal rating scale
- What words should you use to describe each appraisal rating point
- Using forced distribution curves of appraisal ratings
- Do we still have the “bell curve” and what happens to forced distributions of ratings?
- Understanding and managing the “snap-ratio” of the distribution curve
- Adjusting the distribution curve of employee ratings to reflect company results



Lunch Break: 12.30 PM - 1.30 PM

Session 7: Managing the Annual Merit-Pay Review Process and Linking Pay with Performance

- Conducting and managing the annual pay review process (both fixed-pay and merit-pay)
- Linking merit-pay and annual pay reviews to individual employee performance
- Rewarding performance within basic salary increases and merit pay reviews
- Rainbow curves to manage compensation and pay-for-performance and using a merit-matrix
- Conducting and managing the annual pay review process
- Balancing the annual pay review budget and calibrating manager ratings and merit increases
- Managing an annual pay review process and managing progression through a pay range
- Knowing if employees are paid correctly or under-paid or over-paid
- Managing compa-ratios and using compa-ratio progression guidelines



Time for Some Stretching: 3.00 PM - 3.30 PM

Session 8: Managing Retention Programmes to Retain Top Performers

- Why have retention plans linked to talent management and key employee retention plans?
- Identifying the most appropriate retention schemes for your company
- Types of retention plans and the typical costs of retention schemes
- Using various 9-box techniques for identifying talent and key retention employees
- Linking pay-for-performance with talent management into 3-year retention plans



End of Day 2 & Closing Remarks: 5.00 PM



ABOUT THE VENUE

📍 Vienna, Austria



Austria's capital Vienna offers a blend of imperial traditions, music, and endearing charm. A city that inspires with the old and the new alike, and always has a cosy place available in a coffee house or wine tavern. If you sit on the nearby Kahlenberg mountain and look down on Vienna, you will see what a fascinating collage this city is. There are green, rolling vineyards, and then there are the magnificent, imperial buildings Vienna is known for. After all, Vienna is a city where world history was written for half a millennium.

[Click Here](#)

To check out some of the best things to do during your stay in Vienna

MEET THE TRAINER



Robert Mosley 

Global Remuneration Expert and HR Consultant

CEO of Lemon Pip Consulting Limited
(UK, Europe, Middle East & Asia)

Robert Mosley is in the highly prestigious and influential list by People-Hum of “The Top 100 Global Thought Leaders to Inspire You in 2021” and he was awarded the “Global HR Leadership Award” in 2017 by the World HR Congress to recognize his iconic contribution to the global C&B community over the past decade. He is one of the leading HR trainers in the world today, and he is currently in the “Global Guru #500 List” (covering all subjects, not just HR).

Robert is widely recognised in many industries and many countries as one of the leading global experts on compensation and benefits, and is also a leading expert in the more general field of human resources and performance management. His main areas of expertise and specialism are in the fields of job analysis, job descriptions, job evaluation, grading schemes, pay structures, allowances, bonuses and incentives, industrial relations and collective agreements, e-HR systems, performance management, performance appraisals, and all issues on compensation and benefits globally, especially in the GCC and Asia having worked in these regions for over 35 years.

Robert has over 35 years of experience in HR and C&B, and he developed a detailed interest in compensation and benefits when he was employed by Hay Group (Hay Management Consultants) in the UK and UAE from 1985-1990, during which time he became a recognised expert on HR issues in several industries, and did HR consulting work in over 20 countries, mainly in the areas of compensation and total rewards. On leaving Hay Group, he joined Emirates Group and Emirates Airline based in Dubai where he worked for 13 years from 1990-2003 and he was promoted to SVP Human Resources with over 60,000 employees in 60 countries. At all times, Robert kept a detailed hands-on role on all remuneration policies globally. In 2003, Robert left Emirates Group to establish his own consulting business focusing on HR and C&B called Lemon Pip Consulting Limited, and over the past 18 years he has developed a very successful specialist consulting practice with over 800 clients globally. His two main areas of specialism are working with clients in the Middle East and Asia regions, and with clients in the global aviation industry (and indeed many other industries).