## HR and Benefits Design Policies and Practices

Report is available from Benefits Online and Excel download


## Sales Force Policies and Practices

## Compensation Philosophy

Organization has a Different Pay Philosophy for Sales Staff Than for Other Employees When Comparing "Total Guaranteed Compensation" and "Actual Total Compensation" Against the Market

| Count | Percent of <br> Responses |
| :--- | :---: |
| Yes | 362 |
| No | $15.7 \%$ |
| No Sales force within the organization of this country | $43.1 \%$ |

How Organization Positions Annual Base Salary for Sales Employees in Relation to the Labor Market

|  | Executive in the Sales Function | Sales Manager Who Does Not Formally Manage Client Accounts | Sales Manager Who Also Formally Manages Client Accounts | Senior Sales Professional and Sales Professional | Product/Technical Sales Support Staff | Telesales Representative (Call Center) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Count | 40 | 39 | 47 | 51 | 36 | 14 |
| Well Above Market (75th Percentile or Higher) | 5.0\% | 10.3\% | 14.9\% | 11.8\% | 8.3\% | 7.1\% |
| Above Market (60th to 74th Percentile) | 15.0\% | 12.8\% | 8.5\% | 11.8\% | 8.3\% | 14.3\% |
| Slightly Above Market (51st to 59th Percentile) | 7.5\% | 15.4\% | 12.8\% | 13.7\% | 11.1\% | 21.4\% |
| At Market (50th Percentile) | 50.0\% | 41.0\% | 44.7\% | 45.1\% | 44.4\% | 42.9\% |
| Slightly Below Market (45th to 49th Percentile) | 2.5\% | 0.0\% | 2.1\% | 2.0\% | 0.0\% | 0.0\% |
| Below Market (44th Percentile or Lower) | 2.5\% | 2.6\% | 4.3\% | 2.0\% | 2.8\% | 0.0\% |
| No Policy | 17.5\% | 17.9\% | 12.8\% | 13.7\% | 25.0\% | 14.3\% |

How Organization Positions Actual Total Compensation for Sales Employees in Relation to the Labor Market

|  | Executive in the Sales Function | Sales Manager Who Does Not Formally Manage Client Accounts | Sales Manager Who Also Formally Manages Client Accounts | Senior Sales Professional and Sales Professional | Product/Technical Sales Support Staff | Telesales Representative (Call Center) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Count | 40 | 38 | 47 | 51 | 36 | 15 |
| Well Above Market (75th Percentile or Higher) | 10.0\% | 15.8\% | 17.0\% | 11.8\% | 8.3\% | 6.7\% |
| Above Market (60th to 74th Percentile) | 15.0\% | 13.2\% | 10.6\% | 13.7\% | 11.1\% | 20.0\% |
| Slightly Above Market (51st to 59th Percentile) | 10.0\% | 10.5\% | 12.8\% | 13.7\% | 8.3\% | 6.7\% |
| At Market (50th Percentile) | 45.0\% | 42.1\% | 42.6\% | 45.1\% | 47.2\% | 46.7\% |
| Slightly Below Market (45th to 49th Percentile) | 0.0\% | 0.0\% | 2.1\% | 0.0\% | 2.8\% | 0.0\% |
| Below Market (44th Percentile or Lower) | 2.5\% | 2.6\% | 2.1\% | 2.0\% | 2.8\% | 0.0\% |
| No Policy | 17.5\% | 15.8\% | 12.8\% | 13.7\% | 19.4\% | 20.0\% |



## Variable Pay

Organization Offers Any Type of Short-Term Incentive Plan (Excluding Sales Incentive/Commission Plans)

|  | Number of Responses |  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |

## Performance-Based Bonus Plan

Organization's Performance-Based Bonus Plan is Formula Driven OR Discretionary

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 195 | 252 | 293 | 278 | 228 | 72 |
| Formula-Driven Performance-Based Bonus Plan | 75.9\% | 74.6\% | 75.1\% | 75.9\% | 78.5\% | 77.8\% |
| Discretionary Performance-Based Bonus Plan | 24.1\% | 25.4\% | 24.9\% | 24.1\% | 21.5\% | 22.2\% |

Organization's Performance-Based Bonus Plan Has Established Targets

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 202 | 254 | 297 | 284 | 236 | 76 |
| Performance-Based Bonus Plan has Formally Established Targets | 75.2\% | 80.3\% | 83.2\% | 82.7\% | 81.4\% | 78.9\% |

Target Bonus and Maximum Bonus Potential for the Last Fiscal Year as a Percent of Base Salary

|  | Number of Responses | 10th Percentile | 25th Percentile | Median | 75th Percentile | 90th Percentile | Average |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business Unit Head and Country Manager |  |  |  |  |  |  |  |
| Target bonus | 146 | 8.0\% | 16.0\% | 25.0\% | 32.8\% | 50.0\% | 31.2\% |
| Maximum bonus potential | 114 | 12.3\% | 23.5\% | 32.0\% | 50.0\% | 70.0\% | 48.7\% |
| Executive |  |  |  |  |  |  |  |
| Target bonus | 195 | 8.0\% | 14.0\% | 20.0\% | 30.0\% | 40.0\% | 28.9\% |
| Maximum bonus potential | 147 | 12.0\% | 19.6\% | 26.0\% | 40.0\% | 72.0\% | 46.0\% |
| Middle Manager and Senior Professional |  |  |  |  |  |  |  |
| Target bonus | 233 | 7.1\% | 10.0\% | 15.0\% | 20.0\% | 25.0\% | 21.7\% |
| Maximum bonus potential | 183 | 8.5\% | 14.0\% | 20.0\% | 30.0\% | 49.6\% | 35.5\% |
| Supervisory and Professional |  |  |  |  |  |  |  |
| Target bonus | 219 | 5.4\% | 8.0\% | 10.0\% | 15.0\% | 23.2\% | 18.9\% |
| Maximum bonus potential | 173 | 8.0\% | 10.0\% | 17.0\% | 25.0\% | 49.2\% | 32.8\% |
| Technical and Business Support |  |  |  |  |  |  |  |
| Target bonus | 178 | 5.0\% | 7.0\% | 10.0\% | 15.0\% | 23.3\% | 16.7\% |
| Maximum bonus potential | 141 | 6.5\% | 9.0\% | 15.0\% | 25.0\% | 50.0\% | 30.3\% |
| Production and Manual Labor |  |  |  |  |  |  |  |
| Target bonus | 57 | 5.0\% | 8.0\% | 10.0\% | 16.7\% | 64.0\% | 24.9\% |
| Maximum bonus potential | 49 | 6.9\% | 8.3\% | 16.0\% | 33.3\% | 104.0\% | 39.8\% |

Applicable Components when Bonus is Based on Base Salary Plus Other Pay Components

|  |  |
| :--- | :---: |
| Number of Responses | Percent of Responses |
| Guaranteed payments | 119 |
| Cash allowances | $67.2 \%$ |
| Other | $3.4 \%$ |

HR and Benefits Design Policies and Practices - Sample

## Guaranteed Payments, Cash Allowances and Perquisites

## Transportation Allowances

Organization Contributes to Transportation Costs (e.g.; Organization Bus) or Provides a Transportation Allowance (e.g.; Public Transportation Subsidy or Cash Allowance)


Organization Provides Transportation

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 149 | 165 | 192 | 193 | 180 | 74 |
| Percentage of employees eligible | 22.8\% | 25.5\% | 23.4\% | 31.6\% | 32.8\% | 45.9\% |

## Organization Provides Transportation Allowance

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 149 | 165 | 192 | 193 | 180 | 74 |
| Percentage of employees eligible | 31.5\% | 33.3\% | 51.6\% | 58.5\% | 48.3\% | 27.0\% |

Average Monthly Allowance per Employee (in Local Currency)

|  | 10th Percentile | 25th Percentile | Median | 75th Percentile | 90th Percentile | Average |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business Unit Head and Country Manager | 1,500 | 2,500 | 10,000 | 30,000 | 45,980 | 19,077 |
| Executive | 2,100 | 5,000 | 7,325 | 14,375 | 25,750 | 12,684 |
| Middle Manager and Senior Professional | 1,500 | 2,500 | 5,000 | 9,166 | 15,000 | 9,422 |
| Supervisory and Professional | 1,000 | 1,500 | 2,200 | 4,875 | 7,500 | 5,863 |
| Technical and Business Support | 1,000 | 1,450 | 1,900 | 3,850 | 6,000 | 3,408 |
| Production and Manual Labor | 500 | 588 | 1,200 | 2,150 | 4,160 | 2,402 |

## Mobile Telephone Allowances

Organization Provide Mobile Phone Equipment and Subscription

| Number of Responses | Percent Responding Yes |
| :---: | :---: | :---: |
| $79.7 \%$ |  |

Mobile Phone Equipment and Subscription Eligibility
$\left.\begin{array}{lccccc} & \begin{array}{c}\text { Business Unit Head } \\ \text { and Country } \\ \text { Manager }\end{array} & \text { Executive } & \begin{array}{c}\text { Middle Manager and } \\ \text { Senior Professional }\end{array} & \begin{array}{c}\text { Supervisory and } \\ \text { Professional }\end{array} & \begin{array}{c}\text { Technical and } \\ \text { Business Support }\end{array}\end{array} \begin{array}{c}\text { Production and } \\ \text { Manual Labor }\end{array}\right]$

Organization's Reimbursement Policy for Personal Mobile Phone Use

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 131 | 153 | 167 | 122 | 77 | 10 |
| Employees Reimburse All Personal Mobile Phone Costs | 29.8\% | 24.2\% | 25.1\% | 26.2\% | 27.3\% | 30.0\% |
| Employees Reimburse Personal Mobile Phone Costs Over a Fixed Monthly Ceiling | 70.2\% | 75.8\% | 74.9\% | 73.8\% | 72.7\% | 70.0\% |

Maximum Monthly Cost Ceiling per Employee (in Local Currency)

|  | 10th Percentile | 25th Percentile | Median | 75th Percentile | 90th Percentile | Average |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business Unit Head and Country Manager | 1,500 | 2,000 | 2,600 | 5,000 | 5,000 | 3,502 |
| Executive | 1,200 | 1,800 | 2,500 | 3,000 | 4,700 | 2,852 |
| Middle Manager and Senior Professional | 1,000 | 1,200 | 1,800 | 2,500 | 3,000 | 2,097 |
| Supervisory and Professional | 578 | 800 | 1,200 | 1,800 | 2,500 | 1,672 |
| Technical and Business Support | 500 | 500 | 1,000 | 1,600 | 2,120 | 1,534 |
| Production and Manual Labor | - | - | - | - | - | - |

## Health Care

## Surgery/Hospitalization

Types of surgery/hospitalization services available to employees

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 245 | 254 | 279 | 282 | 267 | 78 |
| Room and board fees | 99\% | 100\% | 99\% | 99\% | 100\% | 100\% |
| In-hospital doctor visits | 98\% | 99\% | 98\% | 98\% | 99\% | 99\% |
| Miscellaneous service fees | 93\% | 93\% | 92\% | 92\% | 93\% | 95\% |
| Surgical fees | 99\% | 99\% | 99\% | 99\% | 99\% | 99\% |
| Hospital cash plan | 28\% | 28\% | 27\% | 27\% | 27\% | 26\% |
| Emergency outpatient treatment | 87\% | 89\% | 86\% | 87\% | 87\% | 85\% |
| Pre/post hospitalization expense | 96\% | 96\% | 95\% | 95\% | 96\% | 99\% |

## Types of surgery/hospitalization services available to dependents

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 169 | 181 | 189 | 178 | 161 | 37 |
| Room and board fees | 99\% | 99\% | 99\% | 99\% | 99\% | 100\% |
| In-hospital doctor visits | 98\% | 97\% | 97\% | 97\% | 98\% | 100\% |
| Miscellaneous service fees | 92\% | 92\% | 92\% | 90\% | 93\% | 92\% |
| Surgical fees | 99\% | 99\% | 99\% | 98\% | 99\% | 100\% |
| Hospital cash plan | 29\% | 29\% | 28\% | 30\% | 29\% | 24\% |
| Emergency outpatient treatment | 88\% | 88\% | 85\% | 85\% | 86\% | 84\% |
| Pre/post hospitalization expense | 95\% | 93\% | 93\% | 92\% | 92\% | 95\% |

How dependent limits are defined for surgery/hospitalization services

|  | Percent of Responses |
| :--- | :---: | :---: |
| Number of Responses | 198 |
| Aggregate basis for all dependents | $3 \%$ |
| Aggregate basis for all dependents and employee | $19 \%$ |
| Per member basis | $78 \%$ |

## Level of reimbursement of room and board fees

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 242 | 252 | 276 | 279 | 265 | 78 |
| No limit | 75\% | 73\% | 72\% | 73\% | 73\% | 68\% |
| Daily maximum | 24\% | 26\% | 27\% | 25\% | 26\% | 29\% |
| Other | 1\% | 1\% | 1\% | 1\% | 1\% | 3\% |

## Type of room covered for room and board fees

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 224 | 232 | 253 | 256 | 244 | 71 |
| Single | 83\% | 80\% | 64\% | 51\% | 42\% | 25\% |
| Two-bedded | 12\% | 14\% | 28\% | 29\% | 23\% | 21\% |
| Four-bedded | 4\% | 5\% | 8\% | 20\% | 33\% | 46\% |
| Six-bedded | 0\% | 0\% | 0\% | 0\% | 2\% | 7\% |
| Other | 0\% | 0\% | 0\% | 0\% | 0\% | 0\% |

## Wellness

Types of wellness benefits available to employees

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 191 | 198 | 221 | 220 | 206 | 57 |
| Medical check-ups/health screenings (excludes pre-employment examinations) | 85\% | 87\% | 83\% | 79\% | 80\% | 77\% |
| Employee assistance plans (EAP) | 36\% | 34\% | 35\% | 36\% | 36\% | 21\% |
| Other wellness programs | 40\% | 38\% | 38\% | 39\% | 42\% | 46\% |

## Medical Check-Ups/Health Screenings

Type of policy

|  | Percent of Responses |
| :---: | :---: |
| Number of Responses | 192 |
| Integrated with health care program | 20\% |
| Stand-alone policy | 80\% |

Eligibility criteria for coverage

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 161 | 172 | 183 | 173 | 164 | 44 |
| No criteria | 70\% | 71\% | 68\% | 67\% | 68\% | 75\% |
| Based on length of service | 17\% | 17\% | 17\% | 17\% | 16\% | 18\% |
| Based on age | 17\% | 17\% | 19\% | 20\% | 21\% | 14\% |
| Other | 0\% | 0\% | 0\% | 0\% | 0\% | 0\% |

Type of medical check-up/health screening benefits

|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses | 159 | 170 | 182 | 171 | 161 | 43 |
| Basic (consultation with a doctor) | 14\% | 15\% | 18\% | 22\% | 22\% | 26\% |
| Comprehensive (diagnostic tests and consultation with a doctor) | 86\% | 85\% | 82\% | 78\% | 78\% | 74\% |

## Employee Assistance Plans (EAP)

Type of policy

|  |  |  | Percent of Responses |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of Responses |  |  | 80 |  |  |  |
| Integrated with the local health care program |  |  | 0\% |  |  |  |
| Integrated with the regional health care program |  |  | 1\% |  |  |  |
| Integrated with the global health care program |  |  | 4\% |  |  |  |
| Integrated with disability plan |  |  | 0\% |  |  |  |
| Local stand-alone plan |  |  | 20\% |  |  |  |
| Regional stand-alone plan |  |  | 23\% |  |  |  |
| Global stand-alone plan |  |  | 53\% |  |  |  |
| EAPs provided to dependents |  |  |  |  |  |  |
|  | Business Unit Head and Country Manager | Executive | Middle Manager and Senior Professional | Supervisory and Professional | Technical and Business Support | Production and Manual Labor |
| Number of Responses | 69 | 68 | 78 | 79 | 75 | 12 |
| Dependents are covered | 71\% | 71\% | 69\% | 70\% | 71\% | 83\% |
| Dependents are not covered | 29\% | 29\% | 31\% | 30\% | 29\% | 17\% |

## Types of services provided

|  | Percent of Responses |
| :--- | :---: |
| Number of Responses | 81 |
| Bereavement counseling | $88 \%$ |
| Career/redundancy counseling | $81 \%$ |
| Childcare assistance | $54 \%$ |
| Domestic assistance | $57 \%$ |
| Face-to-face counseling | $79 \%$ |
| Financial/debt counseling | $86 \%$ |
| Legal services | $59 \%$ |
| Management consultation | $54 \%$ |
| Medical advice | $35 \%$ |
| Phone interviews | $62 \%$ |
| Treainals to community services | $48 \%$ |
| Website access | $38 \%$ |
| Other | $59 \%$ |

## Flexible Benefits

## Governance

## Do organizations offer a flexible benefits plan?

|  | Percent of Responses |
| :---: | :---: |
| Number of Responses | 301 |
| Yes, our organization offers a formalized plan to employees that is communicated as a whole and run for a set period of time (e.g., annually) | 29\% |
| Yes, our organization offers benefits through salary sacrifice (promoted as part of a cohesive flexible benefits package) | 1\% |
| No, but a plan is currently being designed | 2\% |
| No, our organization offers benefits through salary sacrifice (promoted individually, not part of a cohesive flexible benefits package) | 1\% |
| No, but our organization is currently considering it | 21\% |
| No, the idea has been rejected | 9\% |
| No, introducing flexible benefits has never been considered | 37\% |
| Are total rewards statements provided? |  |
|  | Percent of Responses |
| Number of Responses | 294 |
| Yes, in paper format only | 13\% |
| Yes, in an online form only | 12\% |
| Yes, in both formats | 6\% |
| No, our organization used to but has removed them | 1\% |
| No, our organization considered doing so, but the idea was rejected | 1\% |
| No, but our organization intends to introduce them | 6\% |
| No | 61\% |

## Flexible Program Options and Benefits

Types of flexible benefit program structure provided

|  | Percent of Responses |
| :---: | :---: |
| Number of Responses | 91 |
| Flexibility to upgrade or downgrade certain benefits within a framework of options, but subject to minimum core benefits. Any excess value at selection transfers to a Flexible Spending Account from which reimbursement may be made during the year for other benefits ("Core plus FSA") | 24\% |
| Flexibility to upgrade or downgrade certain benefits within a framework of options, without any minimum core benefits (so employees may opt out of certain benefits completely). Any excess value at selection transfers to a Flexible Spending Account from which reimbursement may be made during the year for other benefits ("Full Flex with FSA") | 1\% |
| Defined core benefits (as determined by employer). Additional credits allocated to a Flexible Spending Account from which reimbursement may be made during the year for other benefits ("FSA Only") | 44\% |
| Flexibility to select from a set of standard packages of benefits ("Fixed Menu" or "Modular Plan") | 3\% |
| Flexibility to upgrade or downgrade insurance benefits only ("Insurance Flex") | 2\% |
| Flexibility on health reimbursement benefits only - where employees may reimburse for outpatient, dental, optical, wellness, or other health related benefits within a defined framework ("Health Spending Account" or "HSA") | 19\% |
| Flexibility to buy or sell annual leave only ("Leave Flexibility") | 8\% |
| Benefits value converted to cash for employees to purchase their own benefits ("Benefits Allowance") | 8\% |
| Other | 0\% |

Is salary sacrifice permitted under the flexible benefits program for employees to upgrade their benefits?

|  | Percent of Responses |
| :--- | :---: |
| Number of Responses | 54 |
| Yes, subject to a limit | $9 \%$ |
| Yes, not subject to a limit | $11 \%$ |
| No | $80 \%$ |

