

HR and Benefits Design Policies and Practices

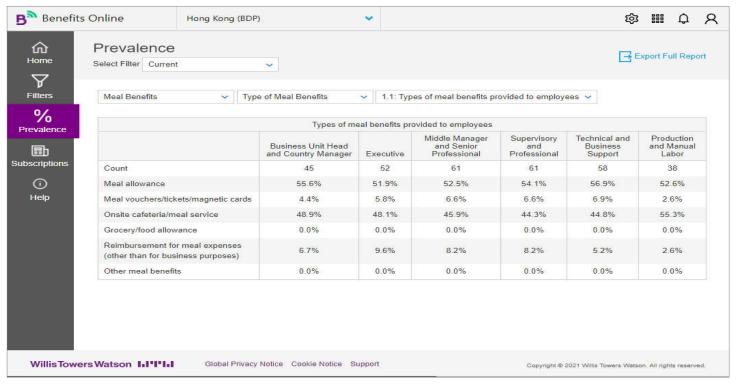
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HR and Benefits Design Policies and Practices

Report is available from Benefits Online and Excel download



Sales Force Policies a	ind Practice	25				
Compensation Philosophy						
Organization has a Different Pay Philosophy for Sales S	taff Than for Other Employee	es When Comparing "Tota	I Guaranteed Compensation	on" and "Actual Total Comp	pensation" Against the Ma	rket
	Percent of Responses					
Count	362					
/es	15.7%					
No.	43.1%					
No Sales force within the organization of this country	41.2%					
How Organization Positions Annual Ba	se Salary for Sales	Employees in Rel	ation 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 (Co Center)
Count	40	39	47	51	36	14
Vell 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%
lo Policy	17.5%	17.9%	12.8%	13.7%	25.0%	14.3%
How Organization Positions Actual Tot	al Compensation fo	r Sales Employee	s in Relation to th	e 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 (C Center)
Count	40	38	47	51	36	15
Vell 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%
OCIOW Market (44th 1 Creentile of Lower)						

Variable Pay

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

Number of Responses	Percent Responding Yes			
417	77.7%			

Employee Categories Eligible for Short-Term Incentives/Variable Pay

	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	212	268	311	297	248	83
Performance-Based Bonus Plan (includes target based schemes)	96.2%	95.1%	95.8%	96.0%	95.6%	91.6%
Voluntary Profit-Sharing Plan	7.1%	8.2%	7.1%	7.4%	8.1%	9.6%

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

	Percent of Responses
Number of Responses	119
Guaranteed payments	67.2%
Cash allowances	3.4%
Other	32.8%

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)

Number of Responses	Percent Responding Yes
415	46.5%

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
414	79.7%

Mobile Phone Equipment and Subscription Eligibility

	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	246	277	318	318	300	118
Percentage of employees eligible	91.5%	96.0%	91.2%	68.6%	48.0%	17.8%

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%
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%
Referrals to community services	48%
Training/educational seminars	38%
Website access	59%
Other	5%

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%