



## REWARD & COMPENSATION

Compensation Pulse™

“HR & Reward specialists are now facing significant challenges, such as ensuring reward is linked to performance and recognizing employee contribution in a nondiscriminatory way”

-CIPD Reward Management Survey

HR Reward & Compensation specialists face more demanding challenges; increasing individual expectations; increasing competitive recruitment activity; anti-discrimination litigation; the return of ‘performance related rewards’; etc.

Payroll costs continue to be the largest controllable costs for most organizations; so, managing these in a controlled and effective way is ever more important.

Pilat’s experience in reward & compensation management shows that a reward strategy needs to address a number of critical issues such as the following:

- Business Drivers  
*What sort of people do you need, what do you need them to do, and how do you need them to do it?*
- Market Assessment  
*What do those who have the appropriate skill sets, etc. want, and what do competitors do to attract them?*
- Regulatory and Governance Environment  
*What is possible and what is acceptable?*
- Remuneration Policy  
*How do you want to use your policy to attract, incent and retain people; how will it reflect your values; how sophisticated do you want to be?*

**Compensation Pulse™** is a module in the HR Pulse® product suite of truly flexible and scalable Human Resource systems. It can be tailored to drive and sustain your chosen processes rather than dictating them. Compensation Pulse supports the most simple to the most sophisticated and can evolve as your needs and practices dictate.

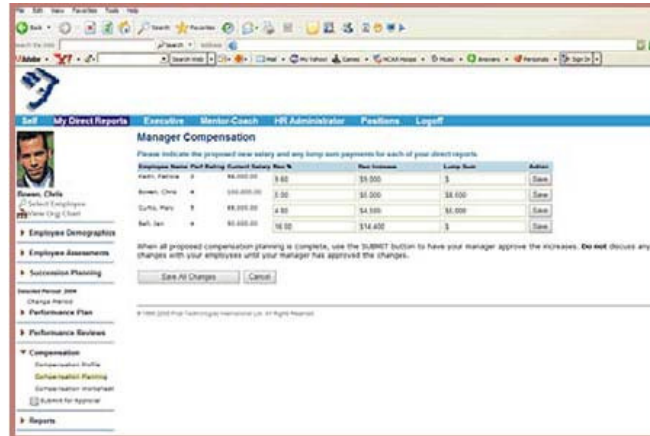
### Key Features

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Compensation Pulse offers the robust and powerful features of all HR Pulse® base systems and can be tailored to provide all the features needed to manage a sophisticated Reward and Compensation strategy including:

- Overall budget management
- Management of sub-budgets by division, department, unit, etc.
- Recommendation and management of bonuses, salary increments, etc.

- Management of rater bias
- Management of individual packages
- Interfaces with your HRIS and Payroll systems



## Reward and Compensation Management

Does variable or contingent pay (PRP) improve organizational performance?

Unfortunately, the evidence as such is not clear-cut and we recommend a thorough review of your pay arrangements before you implement PRP. What is clear is that for PRP to be successful there needs to be clarity around the objectives of such a scheme. A common issue is the lack of integration with other HR initiatives and the organization's business strategy, so employees receive mixed messages. Any PRP scheme also places pressure on line managers to make decisions on pay matters where they may lack a) a valid and up to date information about individual performance and b) the necessary skills to make such crucial decisions in respect of pay progression, bonuses, and/or other variable benefits.

We have the skills and expertise to advise organizations on their Reward and Compensation arrangements. We have no axe to grind and will start from the premise that a clear Business Case has to be made before any PRP scheme can be contemplated.

## Job Evaluation & Grading

Why is one job worth more than another job? Is job measurement an exact science or merely a set of assumptions dreamt up by a small cabal of senior managers?

Pilat has many years of experience in the design and development of fair and equitable factor-based job measurement tools supported by our computerized job evaluation software, Gauge™.

Establishing internal job weight is vitally important given concerns about equal pay and ensuring that contribution is rewarded equitably. Job evaluation also provides a basis for decisions about pay structures including, for example, decisions on broad banding, job families and career grades.

## Communication and Implementation

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The most common reasons for failure of new reward and compensation arrangements are poor communication and poor implementation. Reward is a very personal issue and the first question on most people's lips will be, "How do the new arrangements affect me?" Clear, timely and comprehensive communication is therefore vital to any review of pay arrangements, as well a clear exposition of what impact the changes may have in both the short and long term.

We have extensive experience of implementing new reward management schemes including modeling the cost of transition from old to new pay structures.

## Why NSS and Pilat

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With over 30 years experience in HR, business psychology, data analysis and software solutions, NSS and Pilat have been leading best practice in Human Capital Management. NSS and Pilat brings a unique combination of:

- integrating advanced HR processes and web-based software to trigger, drive, sustain and enhance desired behaviors
- partnering with clients to ensure that interventions contribute directly to the achievement of business goals; it adds genuine value
- bringing innovation, pragmatism, enthusiasm and determination; we make things happen.

Hundreds of the world's major corporations have benefited from these solutions throughout Europe, Canada, USA, Africa and the Pacific Rim. We have a reputation for being market leaders and trusted advisors in Performance Management with flexible, creative and high ROI solutions.

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