Transforming Your Incentive and Merit Review Compensation Cycle
OVERVIEW

01 Introductions & Session Objectives

02 A Bit About Us

03 The Impetus for Transformation

04 Creating a Culture of Improvement

05 Learning to See – The Rapid Improvement Event (RIE)

06 Examples of Transformation

07 Our Self Assessment

08 Questions

09 Concluding Remarks
07. HOW WE CAN HELP

<table>
<thead>
<tr>
<th>SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Process Mapping, Current State and Future State — Facilitation and Support</td>
</tr>
<tr>
<td>• CompTrak in the Cloud — Subscription Based</td>
</tr>
<tr>
<td>• Online Statements</td>
</tr>
<tr>
<td>• CompTrak Specific Modules</td>
</tr>
<tr>
<td>• Equity Deferral Management</td>
</tr>
<tr>
<td>• Statements and Reports including Total Rewards Statements</td>
</tr>
<tr>
<td>• Executive Services Management</td>
</tr>
<tr>
<td>• Customized Compensation Solutions</td>
</tr>
<tr>
<td>• Compensation Plan Design</td>
</tr>
<tr>
<td>• Compensation Plan Modelling</td>
</tr>
<tr>
<td>• Management Consulting</td>
</tr>
<tr>
<td>• Customized Software Development</td>
</tr>
</tbody>
</table>
01. INTRODUCTIONS

➢ 40 Years of Compensation Experience
➢ “The Access and Excel Guy”
➢ Founding Partner @ CompTrak
➢ Consulting, Financial Services and Healthcare
➢ Toronto, NYC
➢ MBA 2010, BCom 1995
➢ Lean Yellow Belt
➢ Husband to Susan
➢ Father to Jack and Kate
➢ Westie Provider
➢ CrossFit
➢ Spartan Races, Marathons, Outdoors
➢ Movies

www.comptrak.com

www.linkedin.com/in/perry-doody-7a2198a/

www.instagram.com/doodytv/
01. INTRODUCTIONS

Tell Us About You

Poll:

Go To Dessert?

- Chocolate Cake
- Ice Cream
- Cheesecake
- Donuts
- One of Each
- None of the above

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01. INTRODUCTIONS

Seeking out ideas to improve bonus and merit review cycle

Interest in process improvement and mapping techniques

High reliance on spreadsheets and adhoc tools

Gain insight on transformational ideas

Looking to revamp or upgrade software

Other

Poll:
Tell Us About You

Why are You Here Today?
01. INTRODUCTIONS

Tell Us About You

Poll:

Your Role in the Incentive Compensation and Merit Review Process?

- Senior Leader, Responsible for Delivery
- People Manager
- Administrator
- Analyst
- HR Business Partner
- Business Manager
- Technology
- Finance
- Audit
01. SESSION OBJECTIVES

01. Introduce you to our Company and CompTrak®

02. Learn more about You via Polling Questions

03. Address Why Processes are so Important

04. Establishing a Culture of Improvement

05. Process Improvement Tools:
   • The Rapid Improvement Event
   • SIPOC Framework
   • Communication Circle
   • Voice of the Client

06. Examples of Transformation

07. Our Online Assessment

08. Additional Resources

09. Questions

10. Concluding Remarks
02. A BIT ABOUT US

Incentive, Merit and Variable Compensation

Technology
02. OUR WALL OF VALUES

- Gratitude
- Diversity
- Passion
- Transparency
- Continuous Learning
- People
- Innovation
- Agility
- Collaboration
- Leverage
02. OUR SOFTWARE COMPTRAK®
02. COMPTRAK® FEATURES

Employee Statements

Formulaic & Discretionary Equity Awards Management

Merit Review

Mobile Platform

Active Directory Integration

Administrative Modules

Full Auditing & Compensation Trace

Multi-Currency
SO WHY IS A SOFTWARE COMPANY CONDUCTING A WEBINAR ON PROCESS IMPROVEMENT?

01. We are not a software company, We are a Compensation Company who enables our clients through technology

02. No instance of CompTrak is the same

03. Details matter to us

04. We don’t need a book of requirements, we bring forth solutions based on processes

05. Our transformation model is based on people, process and technology (in that order)

06. We want to understand you, your pain points represent opportunities

07. Our biggest competitor is not another company but legacy applications and processes
THE STORY OF A DISGRUNTLED BONUS MANAGER,

HIS SON AND HOW THEY CHANGED OUR THINKING ON COMPTRAK
03. THE IMPETUS FOR TRANSFORMATION

Our Personal Experiences are converging with Business Experiences

- Faster
- On Demand
- Information vs. Data
- Seamless
- Intuitive
- Smarter
"It is not the strongest of the species that survives; nor the most intelligent that survives. It is the one that is most adaptable to change."

CHARLES DARWIN
04. CREATING A CULTURE OF IMPROVEMENT

Poll:

Do you have a scorecard or measures of success for your annual bonus cycle?

- Yes
- No

Poll:

Do you have an inventory of all processes documented and available to staff?

- Yes
- No
04. CREATING A CULTURE OF IMPROVEMENT

Poll:
Do you have a formalized feedback loop with clients before, during and after the bonus cycle?
- Yes
- No

Tell Us About You

Poll:
Do you know in term of minutes how long your processes are and where the bottlenecks reside?
- Yes
- No
04. CREATING A CULTURE OF IMPROVEMENT

Be the Change you Want to Be

Others will Follow!
04. CREATING A CULTURE OF IMPROVEMENT

Tell Us About You

What would you consider the biggest barriers to change in your organization?

- It is slow, takes time, project charters, meetings etc.
- Support evidence of what change to make
- Resourcing
- Regular responsibilities
- Getting the right people
- Change leadership
### 04. CREATING A CULTURE OF IMPROVEMENT

#### LEAN PRINCIPLES

<table>
<thead>
<tr>
<th>CUSTOMER DEFINES VALUE</th>
<th>RESPECT FOR PEOPLE</th>
<th>CONTINUOUS IMPROVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value is defined through the eyes of the customer and is achieved through the elimination of various categories of waste:</td>
<td>Improvements and solutions must occur at the place of work</td>
<td>Kaizen which is also known as improvement is a framework that integrates tools, techniques and people into a means of driving improvement that is non-bureaucratic and engages all levels of the organization</td>
</tr>
<tr>
<td>• Waiting</td>
<td>• Solving problems begin with the development of people</td>
<td>• Leverages a simple and on-going cycle of Plan, Do, Check and Act to continuously seek out improvements to drive customer value</td>
</tr>
<tr>
<td>• Motion</td>
<td>• Rapid Improvement Events center around teams where there is mutual respect between Superiors and Subordinates</td>
<td></td>
</tr>
<tr>
<td>• Over-processing</td>
<td>• Teaching and Mentoring</td>
<td></td>
</tr>
<tr>
<td>• Transportation</td>
<td>• Maximizes human capital</td>
<td></td>
</tr>
<tr>
<td>• Over-production</td>
<td>• Visual Management builds morale</td>
<td></td>
</tr>
<tr>
<td>• Inventory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Defects or Errors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Underutilized human talent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Misalignment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
04. CREATING A CULTURE OF IMPROVEMENT

Tell Us About You

Poll:

What type of "waste" do you see in your annual bonus cycle that represents the greatest opportunity?

- Waiting (time to produce summaries, reports, statements)
- Over-processing (spreadsheets, duplicate data sources, statements)
- Defects or Errors
- Over-production (manual workarounds)
- Misalignment (lack of transparency, single authoritative source of data)
05. LEARNING TO SEE, THE RAPID IMPROVEMENT EVENT (RIE)

Setting the Foundation for Transformation in 2 Days
05. LEARNING TO SEE, THE RAPID IMPROVEMENT EVENT (RIE)

**Executive Champion**
Facilitators:
Team Members:

**Reason for Improvement:**
- Commitment to Continuous Quality Improvement
- Identify Efficiencies and Build capacity
- Streamline processes
- Reduce Risk
- Map out and document current processes and systems
- Assess Current State against industry leading practice
- Establish a vision for a future state

**Describe Initial Perception:**
- High Reliance on Spreadsheets
- Exceptions Require Manual Effort
- People make processes work
- Numerous reports and spreadsheets

**Describe Desired Condition:**
- Integrated and Seamless
- On Demand Input and Reporting
- Standard, Streamlined and Documented Processes
- Fewer Tools

**Boundary/Scope**
Data collection from Start of Cycle to End of Cycle

<table>
<thead>
<tr>
<th>Measure</th>
<th>Current</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Suppliers of Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Core Processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Paper Processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit History and Comp Trace (Y/N)</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Customers (Managers, Executives)</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Databases / Tools</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Spreadsheets</td>
<td></td>
<td></td>
</tr>
<tr>
<td># Spreadsheets Emailed</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Client Satisfaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time to Complete One Cycle (Days)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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# 05. LEARNING TO SEE, THE RAPID IMPROVEMENT EVENT (RIE)

<table>
<thead>
<tr>
<th>DAY ONE</th>
<th>DAY TWO</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>8 – 12 Team Members Involved in all aspects of bonus cycle</td>
</tr>
<tr>
<td>02</td>
<td>Introductions</td>
</tr>
<tr>
<td>03</td>
<td>Set Engagement Rules</td>
</tr>
<tr>
<td>04</td>
<td>Create Business Objective – Link your activities to overall Corporate Strategy</td>
</tr>
<tr>
<td>05</td>
<td>Establish Initial Perception</td>
</tr>
<tr>
<td>06</td>
<td>Establish future state and set key metrics</td>
</tr>
<tr>
<td>07</td>
<td><em>Bring in 2-3 internal clients and get their feedback on process</em></td>
</tr>
<tr>
<td>08</td>
<td>Using stickies, process map current state together</td>
</tr>
<tr>
<td>09</td>
<td>Food (very important!)</td>
</tr>
<tr>
<td>10</td>
<td>Debrief End of Day</td>
</tr>
</tbody>
</table>
05. WORK EVIDENCE INTO YOUR PROCESS

How to Remove, Crack, or Break a Forgotten Excel XLS Password
www.online-tech-tips.com/ms-office-tips/how-to...
Have you forgotten your Excel password for a workbook or sheet? Or has someone left your office and they forgot to unlock an Excel workbook with a password

How to Unprotect an excel sheet without password
uknowit.uwgb.edu › Departments › IT
This document will tell you how to unprotect an excel spread sheet without having the password

Excel password breaker-how to break Excel password
www.recoverlostpassword.com › ... › Excel Password Tips
Excel password recovery provides the best solutions to break Excel password. Here we show you the detailed process about how to operate it.

VBA Code to Unlock a Locked Excel Sheet: 4 Steps
www.instructables.com/id/VBA-Code-To-Unlock-A-Locked...
05. LEARNING TO SEE, THE RAPID IMPROVEMENT EVENT (RIE) – PROCESSING MAPPING

Create Stickies into the Following Categories:

- Suppliers of Information
- Databases and Tools
- Processes (who, time to process)
- Customers
- Reports and Spreadsheets
05. COMMUNICATION CIRCLE
THE JOURNEY OF A SPREADSHEET

<table>
<thead>
<tr>
<th>METRIC</th>
<th>CURRENT STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handoffs</td>
<td>25</td>
</tr>
<tr>
<td>Number of Managers</td>
<td>200</td>
</tr>
<tr>
<td>Total handoffs</td>
<td>5,000</td>
</tr>
<tr>
<td>Time to Complete One Cycle</td>
<td>7 days</td>
</tr>
<tr>
<td>Time to Summarize Data</td>
<td>2 days</td>
</tr>
</tbody>
</table>
05. COMMUNICATION CIRCLE
SINGLE POINT OF ENTRY

<table>
<thead>
<tr>
<th>METRIC</th>
<th>CURRENT STATE</th>
<th>FUTURE STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handoffs</td>
<td>25</td>
<td>1</td>
</tr>
<tr>
<td>Number of Managers</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Total handoffs</td>
<td>5,000</td>
<td>1</td>
</tr>
<tr>
<td>Time to Complete One Cycle</td>
<td>7 days</td>
<td>4 Days</td>
</tr>
<tr>
<td>Time to Summarize Data</td>
<td>2 days</td>
<td>20 Seconds</td>
</tr>
</tbody>
</table>
05. LEARNING TO SEE, THE RAPID IMPROVEMENT EVENT (RIE)

Setting the Foundation for Transformation in 2 Days

Current State

Future State
Facilitation

- No more than two days
- Create a safe environment for honest discussion
- Keep things visual – the visuals become aids

Preparation Work

- Involve internal clients – a must.
- Turn adversaries into allies
- Measurable metrics are critical
- Sponsors and Executives attendance at Report Out
- Food
- Follow Up
## 05. SOME OTHER TOOLS OF THE TRADE

<table>
<thead>
<tr>
<th>TOOL</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Stream Mapping</td>
<td>Mapping out the entire process to the client with the intent of designing a future state – entire process</td>
</tr>
<tr>
<td>Root Cause Analysis</td>
<td>Get to the underlying cause of the defect or problem</td>
</tr>
<tr>
<td>Five Why’s</td>
<td>Asking Why five times to get to the underlying cause of a problem</td>
</tr>
<tr>
<td>Fishbone Diagram</td>
<td>Cause and Effect Diagram with defect on the head and with all the underlying factors contributing to the defect on the bones</td>
</tr>
<tr>
<td>Plan Do Study Act (PDSA)</td>
<td>A four step process in testing new initiatives before wide-spread implementation</td>
</tr>
<tr>
<td>5S</td>
<td>Sort, Strengthen, Shine, Standardize, Sustain</td>
</tr>
</tbody>
</table>

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### Diagram: Fishbone Diagram

- Problem Statement
- Machine
- Methods
- Environment
- People
- Measurements
- Materials
## 06. Examples of Transformation

<table>
<thead>
<tr>
<th>ITEM</th>
<th>CURRENT STATE</th>
<th>ACHIEVED STATE</th>
<th>IMPROVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEEKLY SUMMARY REPORTS FROM PLANNING</td>
<td>36 HOURS</td>
<td>1 MINUTE</td>
<td>2,160%</td>
</tr>
<tr>
<td>BONUS INPUT</td>
<td>2 HOURS</td>
<td>10 SECONDS</td>
<td>719%</td>
</tr>
<tr>
<td>BONUS SPLITTING RECONCILIATION</td>
<td>2 WEEKS</td>
<td>1 MINUTE</td>
<td>40,319%</td>
</tr>
<tr>
<td>ONLINE STATEMENTS</td>
<td>5 DAYS</td>
<td>1 DAY</td>
<td>400%</td>
</tr>
<tr>
<td>ELIMINATION OF SPREADSHEETS</td>
<td>240 SPREADSHEETS</td>
<td>SINGLE POINT OF ENTRY</td>
<td>NO EMAILING OF SPREADSHEETS</td>
</tr>
</tbody>
</table>
07. OUR SELF-ASSESSMENT

31 Online Questions
Instant Score
Follow Up with Ideas and Suggestions Based on Answers

www.comptrak.com/worldatwork-webcast/survey/
08. QUESTIONS

Visit us at Booth 123
To pay people

To ensure people are paid appropriately and on time

To ensure all employees including managers and executives have a seamless and high value experience resulting in higher retention of employees and supporting the organization in achieving its strategic goals

Tell Us About You

Poll:

What is Your Purpose in the Bonus and Merit Review Cycle?

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PERRY DOODY  
Partner  
416.520.2502  
perry.doody@comptrak.com

LASSE SILEGREN  
Partner  
416.561.4259  
lasse.silegren@comptrak.com

---

**Headquarters**

5-125 Don Hillock Drive  
Aurora, ON L4G 0H8

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P  : 416-273-8020   
E  : info@comptrak.com

F  : 289-802-0242   
W  : www.comptrak.com