



# COMP TIMES



This is the best time of the year... leaves start changing color, the kids are back in school, and football season begins.

For some of us, the end of the year means annual performance reviews or employee evaluations or performance evaluations or however your organization refers to the system of determining how well an individual employee has performed during a period of time, often used as a basis for determining merit increases ([www.washington.edu](http://www.washington.edu)). The administration of these programs can have a significant impact to an organization's reward programs

Compensation professionals have varying opinions on what is defined as critical for a successful reward program. I found it as no surprise that more senior level or executive Compensation professionals found communication as the ultimate success factor, while lower-level Compensation professionals were concerned with internal equity as they relate to pay.

Perspective, type of organization (public vs. private), size of organization, etc all play a factor in the development of a successful reward program. World at Work's Third Quarter Journal (Aug 07) features an article Reward Programs: What works and what needs to be improved that helps us to create an effective and successful reward program. Check it out at this [link](#).

Until next time...

Anne Jernigan, Director of Communications

## What's in this Issue:

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A sneak peak into next year's Programs

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## President's Message

October is a great time of year. The weather is beginning to cool, the holidays appear right around the corner and for many compensation professionals, merit/bonus or budget time is in full swing.

It is a busy time of year for everyone, but it has been especially busy for our friends at World at Work. As of October 1, 2007 they opened the doors to their new Office and Conference Center located in Washington, DC.

The goal of the office is to gain more visibility for total rewards and to be able to participate more fully in the dialogue with policymakers right around the corner in DC. Their goal is to enable World at Work to participate more fully in the legislative discussion as a knowledge source on executive compensation, benefits, work-life and total rewards.

This is exciting news for all compensation professionals and I look forward to hearing the impact that this new office will have on legislation as they move forward.

Jennifer Atkins, President

## ATTENTION! SURVEY PARTICIPATION

### RCA NEEDS YOUR HELP!

Each year, RCA offers World at Work certification courses at a discounted rate to our members. Not only are the class and exam fees very reasonable, but the location is right here in Richmond – instead of Northern Virginia, Maryland, or North Carolina.

World at Work needs to know how our members value these courses. Please follow the [LINK](#) and complete this survey by November 9<sup>th</sup>.

Help us continue to offer our members great benefits and professional development opportunities.

### Final 2007 Course

\*\* Information regarding our 2008 course schedule will be announced on our website [www.richcomp.org](http://www.richcomp.org) on December 1<sup>st</sup> \*\*

Pricing: RCA member \$920  
W@W member \$1,020  
Non-member \$1,540  
Exam only \$395

Location: Richmond Marriott West  
(804)965-9500  
[www.marriott.com](http://www.marriott.com)

C2 - Job Analysis, Documentation and Evaluation  
When: December 5-7, 2007

Courses can fill up quickly, so sign up now!  
For these courses, please sign up with W@W by contacting Customer Relations at (877) 951-9191 or [customerrelations@worldatwork.org](mailto:customerrelations@worldatwork.org)

### Programs Update

THIRD QUARTERLY MEETING  
On September 12<sup>th</sup>, meeting participants enjoyed a highly informative, no-holds

barred panel discussion from local area consultants who answered RCA member questions and gave their opinions on trends in Total Rewards, Compensation, Benefits and Staffing & Planning. The panel consisted of Carolyn Fowler, President, HR Diversified Solutions, LLC; Jackie Jackson, Principal, Jack Consulting; Ron Reynolds, Compensation Practice Leader, Lockton Companies and Lee Weisiger, Principal, The Titan Group.

### FOURTH QUARTERLY MEETING

Please join us on Wednesday, November 28<sup>th</sup>, 2007 for our 4<sup>th</sup> quarterly meeting. The topic is "The 10 Warning Signs That Your Company is Violating the ADA" and will examine the biggest mistakes employers make in hiring, employing, accommodating and terminating individuals with disabilities.

Our speaker, Kevin D. Holden, attorney with Kaufman and Canoles, will provide practical advice and the most recent related cases in labor and employment law. With expertise in the state and federal wage and hour statutes, payroll management, Title VII, and other key employment issues, Kevin is the recipient of the American Juris Award for Excellence in Labor Law and the E. Randolph Williams Award for Outstanding Pro Bono Service.

Additionally, we will feature a special holiday breakfast, with extended networking opportunities along with door prizes and RCA gifts for all members who attend this meeting.

For more information and to register, go to [www.richcomp.org](http://www.richcomp.org).

### 2008 Programs \*SNEAK PEAK\*

Once again, RCA 2008 Quarterly Meeting dates have been confirmed at Lewis Ginter Botanical Gardens. Meetings will be held on Wednesdays on the following dates: March 19<sup>th</sup>, June 28<sup>th</sup>, September 17<sup>th</sup>, and November 19<sup>th</sup>.

As of now, two speakers have been confirmed:  
Rick Oliveria, President of the Bay Area Compensation Association, who teaches compensation at U.C. Berkeley and has a Masters Degree in Industrial and Labor Relations from the University of Oregon will

be with us on March 19<sup>th</sup> to present "The Seven Deadly Sins of Employee Compensation".

On June 18<sup>th</sup>, John Rubino, President of Rubino Consulting Services, an international Human Resources consulting company based in Pound Ridge, New York will present "Communicating Compensation to Employees".

We hope you are as excited about our future speakers as we are!

Leslie Van Auken, Co-Director of Programs

## Survey the Membership

Do you want to know what other companies are doing in the area? We will survey the membership about topics or questions of interest. Please send your requests to [SurveyQuestions](#).

## RCA Wants You!

DIRECTOR OF FINANCE

CO-DIRECTOR OF PROGRAMS

We have two positions open on the RCA Board! If you are looking for a way to be a part of the Richmond compensation community, this is your chance. Interested individuals please contact [Jennifer Atkins](#), RCA President, for more information.

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Do you know a Compensation, Benefits, or Total Rewards professional who is new to the area? Introduce them to the Richmond Compensation Association!

We kick off our annual membership drive on November 1<sup>st</sup>. By being a member of RCA, you receive benefits like:

- Participating in and purchasing the Greater Richmond Compensation Survey
- Network with Fortune 500 companies from the area
- Surveying the membership when you have a best practices question
- Attending programs led by nationally renowned speakers
- Receiving discounts to attend classes with W@W
- And more!

For more information, to renew, or sign up a friend, go to the Membership page on [www.richcomp.org](http://www.richcomp.org)!

Don't forget, sign up a friend and receive \$10 off your membership price!!!

## Job Postings

If your company has HR job openings, we can post it on our website. Simply email the position and description to [Job Posting Dropbox](#). Posting is free to all RCA members. For **non-members** the fee for each job posting is \$75. Job postings will remain on the website for 60 days.

## Articles of Interest

Leadership Development Embedded into Culture of Top Companies

General Electric Co., Procter & Gamble and Nokia Corp. head the 2007 list of Global Top Companies for Leaders, all of which incorporate leadership development as part of everyday business and focus on globalization, among other practices.

Sponsored by global human resources services company Hewitt Associates, in partnership with The RBL Group and

Fortune magazine, the Global Top Companies for Leaders were selected and ranked based on criteria including leadership practices, company reputation, leadership culture and values, and business performance.

When comparing the Global Top Companies with more than 530 other companies around the world, Hewitt found one overarching characteristic that set them apart from the rest—Global Top Companies make leadership a critical part of the company's organizational fabric. Specifically, the study found that leadership practices at Global Top Companies are an inherent part of the culture, and that developing future leaders is simply a way of operating that must be intertwined with running the business.

“In this increasingly complex and global marketplace, companies must leverage talent and build leadership practices that have consistency throughout the world if they want to be successful,” said Bob Gandossy, principal and a global practice leader in Hewitt's Consulting business. “This requires dedicated focus, passion and commitment to leadership. The Global Top Companies for Leaders not only possess these characteristics—they are embedded into the companies' DNA. By having the right leadership practices and processes in place, maintaining a strict focus on critical talent at all levels and having a continuous desire to improve, Global Top Companies have cultures that cultivate and nurture their talent, and a reputation for doing it well.”

“These companies have shown a strong investment in building a leadership brand that sets them apart. They have strong reputations for developing exceptional leaders, often fulfilling both customer and investor expectations,” said Dave Ulrich, partner and founder of The RBL Group, and a professor of business at the Ross School of Business.

Through its research, Hewitt identified five key areas that set the Global Top Companies apart from other companies around the world:

—A Focus on Growth and Globalization. Nearly 70 percent of Global Top Companies cited business growth as the single most pressing challenge over the next three to five years, compared with approximately half (51 percent) of all other companies participating in the survey. While there are many issues of overlapping priority, the Global Top Companies look beyond traditional boundaries to anticipate the next big wave of expansion and they actively prepare for it. Global Top Companies ranked expansion into new markets as their second biggest challenge, followed by globalization and cost pressures as third.

—A Dedication to Developing a Global Talent Pipeline. The majority of Global Top Companies (85%) believe that they currently have the talent pipeline they need to be successful in the future, compared with only 42% of all other companies.

In addition to formal assignments, leaders at the Global Top Companies take an active and personal interest in developing and preparing the next generation of leaders through informal mentoring.

—A Strategic Business Commitment to Developing Leaders. Hewitt's research reveals that Global Top Companies passionately believe that leadership should be closely tied into their business strategies. The majority (85%) ensure that the selection and development of leaders is aligned with their business strategies, compared with only a third (32%) of all other companies. In addition, 85% of Global Top Companies say leadership development is a high priority to senior management in the organization, compared with just 45% of other companies.

—A Senior-Level Commitment to Developing Leaders. According to the study, senior leadership teams at the Global Top Companies, particularly CEOs, drive the leadership agenda. Further, the amount of time spent directly on leadership issues at all levels—from the Board of Directors to front-line management—is significantly greater than at other companies. 85% of senior management at Global Top Companies say they spend at least 20% of their time on leadership development initiatives, compared with only half (52%) of all other companies.

—A Clear Expectation of Desired Leadership Behaviors. At Global Top Companies, the use of leadership competencies demonstrates clarity around expectations for leaders. Most (85%) believe that the desired leadership behaviors are well

understood at all levels of the organization, compared with just 37% of other companies. These competency models are consistently applied across the organization, and expectations are reinforced through multiple mechanisms, including communications, performance management, compensation, education and high potential selection.

The Global Top Companies for Leaders study is based on approximately 550 global organizations with an average employee population of nearly 27,000. Almost 70 percent of the participating companies had revenues of \$500 million or more.

Hewitt, The RBL Group and Fortune utilized a three-step screening process to identify the finalist companies. This included assessing survey responses, conducting in-depth interviews and analyzing financial performance in relation to industry. This information was then provided to a panel of expert judges in each region to select and rank a 2007 Top Companies for Leaders list in Asia-Pacific, Europe, Latin America and North America. A separate judging panel, composed of one representative from each regional panel, considered all regional Top Companies to select and rank a Global Top Companies for Leaders list. (Hewitt.com)

#### Strategic Recognition, Engagement Initiatives Boost Bottom-Line, Say Experts

Survey results from a recent International Roundtable on the topic of employee engagement reveal that organizations with formal employee engagement programs will distance themselves from the competition, particularly in the areas of attraction, retention and bottom-line financial results.

As part of the International Roundtable, hosted by Globoforce, an on-demand provider of global, strategic recognition solutions, the 70 HR professionals and business leaders in attendance were

polled and asked for their opinions on a variety of issues relating to employee engagement and employee recognition programs. During the discussion, 81% of the participants said they believe that recognition programs are integral to attracting top talent. Additionally, participants agree these programs can act as a strong competitive differentiator when attracting candidates.

In addition to the “people potential” benefit, a resounding 84% of the participants agree that a well-executed employee engagement program will improve a company’s financial bottom-line. Because of the tangible benefits an employee engagement program can bring to global organizations, 59% of the participants said that employee engagement is increasingly a hot topic of discussion within the C-suite, gaining that all-important executive “mind share” within their companies.

The survey results also expose several risks in not adopting formal engagement programs, which can lead to disengaged employees. For example, 62% confirm that fallout from disengaged employees leads to poor quality of work and decreased productivity. Further, 22% claim disengagement puts companies at risk to losing talent to a competitor.

Despite the fact that 41% of participants do not believe employee engagement programs are getting much interest at the executive level, 90% of participants say that a strategic recognition program—one that is strongly aligned with their company’s mission and values—can play an important role in a successful engagement strategy.

About Globoforce Founded in 1999 and co-headquartered in Southborough, Mass. and Dublin, Ireland, Globoforce is a leading on-demand provider of global, strategic recognition solutions for Global 2000 companies.  
[www.globoforce.com](http://www.globoforce.com)