



# REWARDING TEAM'S EFFORT IN A FAIR WAY

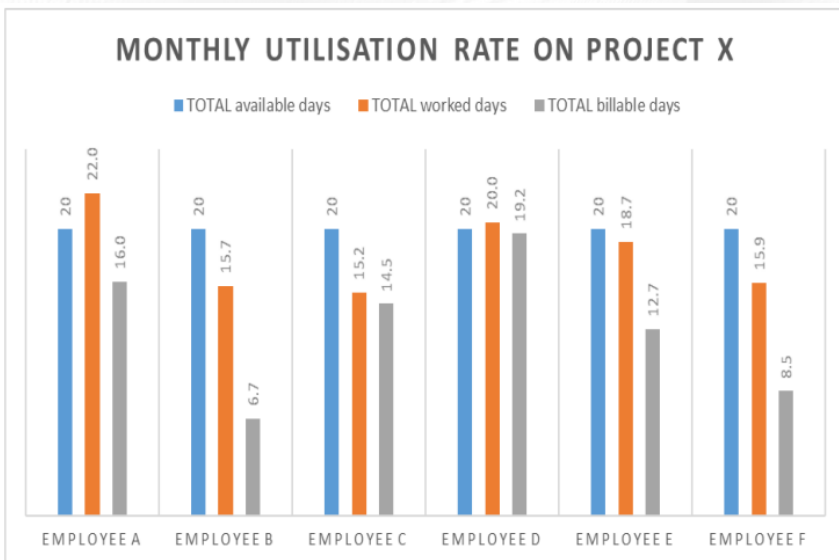
## SUMMARY & OBJECTIVES

Our client used to hire by cost first and foremost. Their employee compensation philosophy was simple - low base pay with no performance bonus. As a result, the client was unable to anticipate revenue and profit or how to reward accordingly. Whilst it's difficult to measure each person's contribution to specific projects in a small business when often than not, a handful of people do a lot of things simultaneously, It is crucial to align employees pay with the company's direction.

## SOLUTION

### Timesheets Analysis

We helped our client implement a timesheet collection system which enabled them to track employee utilisation per projects. We then analysed the data and compared 'available days', 'work days' and 'billable days' and set up the benchmark for the utilisation rate at 18 billable days per month.



By completing this analysis, we were able to determine the cost per day per project, the gross margin, and set up the basis for fair compensation using the project's billable time and distributing the workload more evenly. The client re-calculated employee compensation using the actual utilisation rate and created the opportunity to reward extra effort on a fair basis.



## AT A GLANCE

### CHALLENGES

- Get the best returns on investment for sales efforts
- Understand the trends
- Maximise market opportunities

### BENEFITS

- Fair employee compensation basis
- Setting up the utilisation benchmark
- Re-negotiation of rates for projects with lower gross margins than the benchmark
- Assigning lower cost resources to lower paying projects