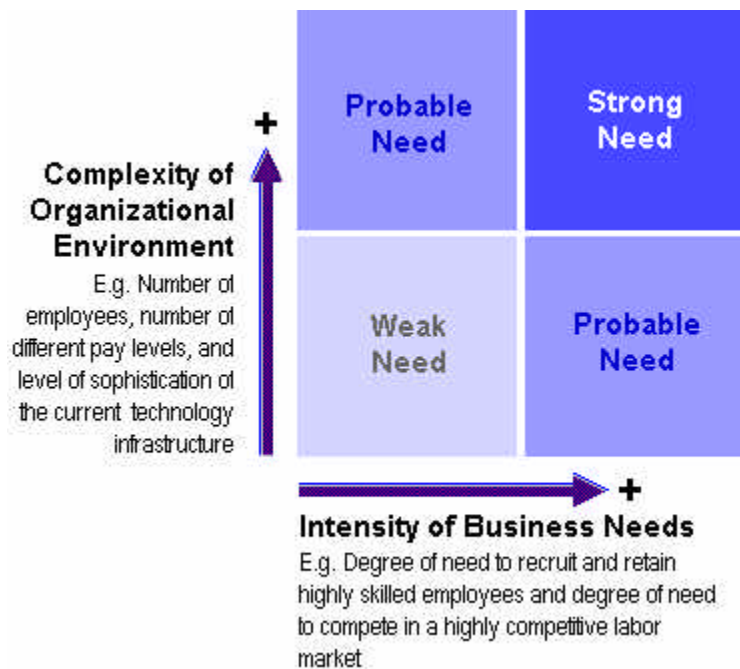


Page 1 (Front)**Top of page label:** User Profile**Graphic:** REWARD Logo**Tag line:** Bringing Management to Compensation**ID Head:** Profile—Guidelines for a prospective REWARD user

Assessing the Need for a Compensation Management System

Are you ready to automate your current, manual operations for compensation administration? Perhaps you need to upgrade your current reporting and monitoring capabilities? Or maybe you are seeking to gain new efficiencies by reducing your "administrivia" and boosting the productivity of your current staff? You already have a "system" but it's just not doing the job?

Many different indicators can point to the need for a compensation management system. So, confirming your level of need for automating compensation tasks requires a sensible assessment model. The intuitive model below accommodates both the organizational conditions and business needs that typically justify a new system investment:



Building Your Profile

Accurately calibrating your organization's level of need for a system like *REWARD* requires careful evaluation of many different environmental factors and business needs. You can use the simple worksheet below to quickly determine if your organization's conditions build a profile of a prospective *REWARD* user.

Assessment Worksheet

For each statement below, check **Yes** if it substantially describes your current situation; otherwise check **No**.

| Current Organizational Environment | | YES | NO |
|---|---|------------|-----------|
| We already use an older version (earlier than 2.05) of REWARD. | | 25 | |
| We use or have used another compensation administration system besides REWARD. | | 2 | |
| We use IBM-compatible PCs under Microsoft Windows 95 or NT. | | 5 | 5 |
| We use other Microsoft applications like Word, Excel, Access, or PowerPoint. | | 2 | 2 |
| We use a local-area network (Novell, Microsoft, Banyon Vines, or Lantastic LAN). | | 2 | 2 |
| Select only one option | We have 99 or fewer employees. | | 2 |
| | We have 100 – 9,999 employees. | 2 | |
| | We have 10,000 – 49,999 employees. | 3 | |
| | We have 50,000 or more employees. | 4 | |
| Select only one option | We have no one assigned, even part-time, to compensation administration. | | 2 |
| | We have one person assigned part-time to compensation administration. | 1 | |
| | We have one person assigned full-time to compensation administration. | 2 | |
| | We have more than one person assigned full-time to compensation administration. | 3 | |
| Current Business Needs | | YES | NO |
| We need to recruit and retain highly skilled employees. | | | 4 2 |
| We are in a very competitive market for highly skilled employees. | | | 4 2 |
| We need to establish pay equity for similar jobs throughout our organization. | | | 4 2 |
| We need/want a system that will help with market pricing our benchmark jobs. | | | 4 2 |
| We need/want a system that will help with participating in salary surveys. | | | 4 2 |
| We need/want a system that will help with distributing compensation information to line managers. | | | 3 |
| We need/want a system that will help with administering pay for competencies. | | | 3 |
| We need/want a system that will help with analyzing our salary structures and pay compared to market. | | | 2 |
| We need/want a system that will help with base pay analysis. | | | 2 |
| We need/want a system that will help with total cash compensation analysis. | | | 2 |
| We need/want a system that will help with annual salary planning. | | | 2 |
| We need/want a system that will help with predicting a pay grade for non-benchmark jobs. | | | 2 |
| We need/want a system that will help with creating and maintaining job descriptions. | | | 2 |
| We are prepared to invest at least \$45,000 for implementing a new compensation management system. | | | 2 25 |
| Total all the numbers in the Yes column that are adjacent to your check marks. | | | |
| Total all the numbers in the No column that are adjacent to your check marks. | | | |
| FINAL SCORE: Subtract your total in the No column from your total in the Yes column. | | | |

Evaluating Your Readiness for REWARD

If your Final Score was **60 or higher**... You are definitely ready for a system like REWARD or a version upgrade.

If your Final Score was **21 – 59**... You are probably ready for a system like REWARD.

If your Final Score was **20 or less**... You may want to investigate other solutions for your compensation management.

System Investment

NOTE: The following price-range estimates include all typical installed system costs—including software, documentation, and all usual installation, set-up, and training fees. Prices at the low end of each range assume a system for fewer than 10,000 employees, a standalone system or a network of no more than five users, and an installation site that already meets all REWARD hardware and software requirements (e.g.: adequate email/FTP access, on-site IS support, etc.) Also note:

- Estimates are for North American system installations only; fees in other countries may vary.
- Estimates include the cost of the first year's Maintenance Fee.
- Estimates assume that REWARD's configuration features are sufficient to meet the client's data and reporting needs—no modification to system code required.
- Estimates assume that the client has already developed any necessary salary structure data and job evaluation criteria.
- Estimates do not include creating specifications for electronic survey data imports. Import specifications can be created by the client or by Watson Wyatt.
- All prices are subject to change without notice.

| REWARD Investment Estimates <i>TYPICAL INSTALLED SYSTEM COSTS—INCLUDING SOFTWARE, DOCUMENTATION, AND ALL USUAL INSTALLATION, SET-UP, AND TRAINING FEES.</i> | < 10,000 Employees 5 User Network or Standalone system | > 10,000 Employees > 5-User Network |
|---|--|--|
| Basic System (no optional modules) | \$45,000 | \$60,000 |
| System with one optional module | \$50,000 | \$70,000 |
| System with all optional modules (except REWARD for Managers) | \$85,000 | \$115,000 |

REWARD's Payoff

In the increasingly complex world of compensation management, using *REWARD* is like adding a new and extremely efficient expert to your staff. This system leverages the dominant strength of software systems—automating complex, repetitive, and time-consuming tasks. With a system like *REWARD* to handle the tedium, compensation professionals can focus on the tasks that require insight and creativity. For example, *REWARD* helps you to make decisions about your compensation program by giving you access to a library of more than 50 ready-to-use reports.

Plus, you can design your own reports and graphs using the easy custom report writer. Moreover, *REWARD* works seamlessly with Microsoft Office applications: Access, Excel, Word, and PowerPoint. In fact, *REWARD* can display data in a spreadsheet format just like Excel—you can drag/drop columns in any order you want, or sort, freeze, and hide columns. Cut and paste a *REWARD* report into your final report or presentation. Do you want to output report data in just a few seconds for additional spreadsheet analysis? Sure, you can do that too! In short, *REWARD* is a "can-do" system.

For More Information

Call: 1-800-553-4658

Or, visit the REWARD Web site:
www.watsonwyatt.com/reward



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