

What's in Your Rewards Toolkit?

In the rewards profession there are many tools at our disposal. Here are 100 of them. How many do you use?

Cash

1. Base salary
2. Piece rate pay
3. Car/transport allowance
4. Housing allowance
5. Local plus allowance
6. Shift differential/premium
7. Holiday premium
8. Overtime premium, per local law
9. Language premium (call centers)
10. Salary sacrifice (excluded from taxable income, like house-rent allowance in India)
11. Annual fixed bonus (13th month or holiday bonus)
12. Performance incentive with corp/unit/individual components
13. Profit sharing—everyone gets same \$ of % based on company results
14. Gain sharing/productivity incentive (manufacturing)
15. Sales commission – no threshold or maximum
16. Target based sales incentive, with threshold, target/quota and possibly maximum
17. Signing bonus—one-time cost to avoid a multi-year cost and internal equity issue
18. Project completion bonus—to help retain key staff and get key projects done
19. Lump sum payment in lieu of salary increase (if over maximum)
20. Cash long-term incentives—retention and conservation of shares
21. Stay/retention bonus
22. Deferred compensation – like a bonus but paid later, or to top up retirement savings due to salary caps
23. Flexible spending allowance, taxable, no receipts required. Excluded from merit and bonus calculation.



Stock/share-based (non-cash)

24. Stock/share options – right to buy shares at a pre-determined price following a vesting period
25. Stock/share grants – outright grant of shares, sometimes as signing bonus
26. Restricted stock – shares that vest after a period of years, mainly used to retain talent
27. Performance restricted stock – same as restricted except % of shares that vest are linked to performance
28. Employee stock purchase plan (ESPP) – employees can purchase shares via payroll deduction

Benefits—Health & Welfare

29. Medical insurance, which can be fully-insured, self-insured, partially self-insured with stop-loss coverage; medical can cover any combination of: hospital, urgent care, ambulatory, inpatient surgery, outpatient surgery, dental surgery, reconstructive surgery, maternity, outpatient primary care, outpatient specialist care, chronic illness, mental illness
30. Prescription drugs (name brand drugs, generic drugs, mail order prescriptions)
31. Preventive care – included in medical insurance in some companies/countries, not in others
32. Wellness programs and discounts
33. Exercises, TaiChi or Yoga – onsite during work time or during breaks
34. Executive physical exam: health screening to ensure key executives are healthy, and for early detection (business risk)
35. Dental insurance: periodontia (cleanings, fillings), prosthodontia (crowns, bridges), orthodontia (braces)
36. Vision: refractive eye exam, frames, lenses, contacts; optometrist services. Lasik surgery. Ophthalmology (eye surgery) normally covered under medical.
37. Long-term care: covers daily nursing home charges.
38. Life insurance (with or without accelerated death benefit for terminally ill who want to take a reduced benefit before death).
39. Personal accident: additional cover for accidental death or dismemberment (loss of life, finger, etc.)
40. Disability insurance: replaces income due to inability to perform one's job (or any job) due to illness or injury.
41. Flexible benefits—offering a combination of benefits in one plan where an employee has choice within a framework
42. Flexible Spending account/Health Spending Account
43. Coverage of parents on medical insurance in (if you're single)

Benefits—Retirement

44. Defined Benefit Pension (DB) which provides lifetime income following retirement from company, normally equal to a percentage (e.g. 70%) of final three-year average salary, subject to service and vesting rules.
45. Defined Contribution Plan/Scheme (DC) in which a company pays a fixed percentage of salary (or to a salary cap) each payroll into a retirement account in the employee's name. Contributions may be from both employer and employee. Company contribution may be a "match", i.e. based on the employee contribution.
46. Savings plan, involving a local bank, whereby the employee authorizes a fixed monthly deduction/transfer of money to a savings account. The company may make a matching contribution. There may be tax advantages in some countries.
47. Supplemental retirement schemes, gratuity benefits or other practices specific to your country.

48. Social security or provident fund contribution—this is a real benefit even though it is mandatory
49. Loan programs

Benefits—Paid Time Off

50. Public Holidays
51. Floating holidays – convert 1 public holiday into a floating holiday to be used whenever
52. Vacation/Annual leave—mandatory or in excess of mandatory as a differentiator
53. Sick time
54. Paid-time-off (PTO) bank—combining annual leave and sick, so no doctor's note/medical certification is needed. Treats people like adults. Use it or lose it, no carryovers.
55. Maternity leave—mandatory or beyond mandatory, including time for recovery from childbirth
56. Paternity leave—popular or even mandated in some countries, for bonding and assistance to mother
57. Childcare leave—let working parents take a couple days off to spend with the kids
58. Sabbatical—3-6 months job-protected leave at reduced or no pay to help people get re-inspired
59. Personal leave – usually unpaid
60. Compassionate leave (bereavement)
61. Civic service leave (military or jury duty)
62. Exam leave, and many others.
63. Unlimited Time off—yes, some companies allow unlimited time off. You can still be fired if you don't perform your job.

Work-Life

64. Flex Time/Flexible Work Hours – allow employees choice of when to come to work, when to leave
65. Work at Home
66. Telecommuting, broader than work at home, can include smart work centers, satellite offices
67. Leave/Travel Allowance (India)
68. Casual dress code
69. Onsite Childcare—so employees don't arrive late or leave early to drop off/pick up kids.
70. Volunteering –paid day off for company-approved volunteer activities
71. Part-time and job-sharing opportunities for reduced workload
72. Job redesign to accommodate older workers or workers with disabilities
73. Career flexibility – allowing phased retirement, rehiring, hiring those making a career transition
74. Donation of vacation/leave time to others in need (e.g. after a flood or fire, donating leave to affected colleagues)

Recognition

75. Long service award – cash or non-cash
76. Spot recognition awards (cash, shares or both)
77. Spot recognition (merchandise or in-kind)
78. Recognition letters from CEO, customers or suppliers
79. Attendance awards
80. Celebrations—birthdays, promotions, certification, finish a degree, etc.
81. President's Club – usually an annual trip for top sales performers (e.g. to Hawaii for a week with the CEO)

Growth

82. Supportive manager as "coach"
83. Mentor (not your boss)
84. Clear promotion process and written job descriptions and minimum qualifications at each level
85. Dual career path, allowing parallel advancement for both managers and individual contributors
86. Access to needed resources, equipment, data, etc. to accomplish great work
87. Equal opportunity and inclusive, non-discriminatory culture
88. Annual performance review with meaningful feedback and forward-looking planning
89. 360-degree feedback to get the benefit of peer, customer, subordinate or other input, in addition to boss
90. Crowdsourced feedback to get instant feedback from customers
91. Access to internal and external formal learning opportunities
92. Training budget for courses/seminars that are not related to current or likely potential role at company

Differentiators

93. Adoption benefits (Wendy's pays all costs if an employee adopts a child)
94. Free/subsidized parking
95. Clothing Allowance
96. Employee discounts
97. Company store/merchandise
98. Free/subsidized lunch/meals
99. Concierge – arrange drycleaning, reservations, drivers, appointments or other conveniences
100. Lunch with the President – usually a group of selected or random employees for informal chat with the big boss