



## INTRODUCTION

Thank you for participating in WCBC's survey on performance reviews and their impact on incentive plans.

In return for sharing your organization's policies and practices, you will receive a copy of the results at no cost. The data submitted by you will be maintained in strict confidence.

The survey should take approximately 10 minutes to complete.

Questions marked with "\*" are required.

## PERFORMANCE MANAGEMENT

Does your organization have an employee performance review process in place?\*

- Yes, a formal process is in place assigning specific ratings based on performance
- Yes, an informal process
- No

If you have a formal/informal process:

What does the employee performance review process include?\*

(check all that apply)

- Documented performance objectives or expectations for the employee
- Employee involvement in development of performance objectives or expectations
- Regular meetings between employee and supervisor/manager to assess performance over an extended period of time
- Feedback gathered from sources other than an employee's supervisor/manager (e.g. peers, other colleagues, or clients)
- Documented results of the performance review

How often are employee performance review meetings conducted?\*

- Annually (same time for all employees)
- Annually (staggered timing based on employee anniversary date)
- Semi-annually
- Quarterly
- Other (please describe) \_\_\_\_\_.

Results of employee performance reviews are used to determine which of the following?\*

(check all that apply):

- Magnitude of base pay increases
- Magnitude of annual incentive awards
- Training & development needs
- Promotion
- Share equity awards
- Other (please describe) \_\_\_\_\_.
- None of the above



Assess the effectiveness of your organization's employee performance review practices at\*:

	Not Effective At All	Ineffective	Effective	Very Effective	Not Applicable/ No Experience
Increasing employee performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Providing useful feedback to employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motivating employee performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rewarding top talent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Developing employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identifying poor performers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Linking the organization's strategic objectives to performance for individual positions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

When did your organization last make changes to its performance review process?\*

Enter your best estimate if you are unsure

- Within the last 12 months
- More than 1 year ago to 5 years ago
- More than 5 years ago
- Unsure

Is your organization planning to make changes to its performance review process within the next 12 – 24 months?\*

- Yes
- No
- Unsure

What changes, if any, would you like to see made to your organization's performance review practices?\*

\_\_\_\_\_.



## PERFORMANCE-BASED ANNUAL INCENTIVE PLAN(S)

**The following employee groups are the focus of this survey. Please review before proceeding to the next section:**

**Management/Supervisory** - Manages a group, department or has supervisory responsibilities. Reports to Senior Management or Executive level. (e.g., HR Manager, Controller, Accounting Clerk Supervisor). **This does NOT include executives.**

**Professional & Technical** - Employees who hold professional designations (e.g., CPA, CPHR, etc.) or technical positions. (e.g., Accountants, Buyers, Engineers, Web Designers)

**Clerical/Administrative Support** - Office support staff (e.g., Accounts Payable Clerk, Receptionist)

**Hourly** - Employees paid on an hourly wage (e.g., Forklift Operator)

Note: DO NOT base your answers on forms of sales compensation (e.g. commissions)

Which of the above employee groups apply to your organization?\*

(Check all that apply)

- Management/Supervisory
- Professional & Technical
- Clerical/Administrative Support
- Hourly

Does your organization have performance-based, discretionary or profit-sharing annual cash incentive plan(s) (i.e. rewards based on the attainment of short-term results of 12 months or less)?\*

**Performance-based annual incentive plan**- A formula driven incentive plan that is designed to reward the accomplishment of specific, **pre-determined** goals for individual, group and/or organization-wide results.

**Discretionary bonus**- A plan with **no pre-determined formula** or guarantees in which management determines the size of the bonus pool and the amounts to be allocated to specific individuals after a performance period.

**Profit-sharing plan**- The organization contributes a portion of its pre-tax profits to a pool that will be distributed among eligible employees. The amount distributed to each employee may be weighted by the employee's base salary or be distributed equally among participants. Funds may be distributed in cash, deferred as a qualified retirement program or distributed in a case/deferred combination. Generally this is done on an annual basis. *Only select this if your organization has a formally defined profit-sharing plan (i.e. do not select this solely because your annual incentive plan requires that the organization declare a profit before bonuses can be paid).*

- Yes
- No



Which type(s) of annual incentive plan(s) does your organization offer?\*

(Check all that apply: select a type of plan even if it is only provided to some employees within an employee group)

**Performance-based annual incentive plan-** A formula driven incentive plan that is designed to reward the accomplishment of specific, **pre-determined** goals for individual, group and/or organization-wide results.

**Discretionary bonus-** A plan with **no pre-determined formula** or guarantees in which management determines the size of the bonus pool and the amounts to be allocated to specific individuals after a performance period.

**Profit-sharing plan-** The organization contributes a portion of its pre-tax profits to a pool that will be distributed among eligible employees. The amount distributed to each employee may be weighted by the employee's base salary or be distributed equally among participants. Funds may be distributed in cash, deferred as a qualified retirement program or distributed in a case/deferred combination. Generally this is done on an annual basis. *Only select this if your organization has a formally defined profit-sharing plan (i.e. do not select this solely because your annual incentive plan requires that the organization declare a profit before bonuses can be paid).*

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly	Do Not Provide/N/A
Performance-based annual incentive plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discretionary bonus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Profit-sharing plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do not have this employee group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What is the performance-based (i.e., NOT discretionary) annual incentive award based on?\*

(Check all that apply)

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly	Not Applicable
Organization-wide results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Group/division results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Individual results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do not have this employee group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



If the performance-based annual incentive award is based either fully or partially on organizational and/or group/divisional performance, what performance measures are used to determine the annual incentive payout?\*

(Check all that apply)

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly	Not Applicable
Financial (e.g., revenue, profit, EBITDA, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Operational (e.g., product/services quality, customer satisfaction, safety, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Based on individual performance only	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do not have this employee group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Regarding performance-based annual incentives (i.e., NOT discretionary), what method is used to determine the amount of the annual incentive?\*

(Check all that apply)

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly	Not Applicable
Formula – A defined formula is used (e.g. a merit matrix or distribution curve) to allocate the budgeted bonus to employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Guidelines – Managers receive general guidelines regarding a budgeted bonus and have the final say on the amount paid to employees (e.g. based on ratings: employees exceeding expectations may receive a larger share of the budgeted bonus than those merely meeting expectations).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do not have this employee group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If needed, please elaborate on the question above:

For any of your employee groups, does your performance-based annual incentive plan(s) have a defined target and/or maximum award stated as a percentage of salary? **This does not include general guidelines/typical payouts\***

- Yes
- No



Does your performance-based annual incentive plan(s) have a FORMAL defined target and/or maximum award stated as a percentage of base salary? ***This does not include general guidelines/typical payouts\****

(Check all that apply)

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly	Not Applicable
Defined Target	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Defined Maximum	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Not Applicable to this employee group/Do not have this employee group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If your performance-based annual incentive plan(s) has a FORMAL defined target and/or maximum, what is the target and/or maximum, as a percent of salary? Where there are multiple plans, please provide an average\*

**If an employee group does not have either a target or maximum or the employee group does not apply to your organization, enter N/A.**

	Mgmt./ Supervisory	Prof. & Tech.	Clerical/ Admin.	Hourly
Target				
Maximum				

When did your organization last make changes to its annual incentive plan(s)?\*

Enter your best estimate if you are unsure

- Within the last 12 months
- More than 1 year ago to 5 years ago
- More than 5 years ago
- Unsure

Is your organization planning to make changes to its annual incentive plan(s) within the next 12-24 months?\*

- Yes
- No
- Unsure

What changes, if any, would you like to see made to your organization's existing annual incentive plan(s)?

\_\_\_\_\_.



Which of the following best describe your opinion of your organization's existing annual incentive plan(s)?\*

	Disagree	Somewhat Disagree	Somewhat Agree	Agree	Unable to Answer
Employees see annual incentive pay as an entitlement (i.e. they expect to receive a bonus every year)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall, annual incentive pay is well aligned with actual performance (i.e. exceptional performers are rewarded appropriately)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The incentive plan is simple to administer (managers understand the metrics and guidelines to apply)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees understand the link between performance and annual incentive pay (i.e. they know what they need to do in order to maximize their payout)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If needed, please elaborate on the question above:

## GENERAL INFORMATION

Which sector does your organization fall under?\*

- Privately-owned
- Publicly-traded on stock exchange
- Public sector (municipal, provincial, federal government/crowns, government-sponsored educational, health & social service industries)
- Not-for-profit (member associations, legal/health/social service organizations)

What is the appropriate classification for your organization?\*

- Agriculture, Forestry, Fishing & Hunting Association or Regulatory Body Information/Media
- Construction
- Educational Services
- High Tech
- Financial Services/Insurance
- Healthcare/Social Assistance
- Arts & Entertainment/Recreation/Tourism/Hospitality
- Retail/Wholesale
- Manufacturing
- Real Estate/Rental/Leasing
- Professional/Scientific/Technical Services (legal, accounting, architectural, engineering, consulting, research)
- Life Sciences (biotech, pharmaceutical, nutraceutical, bioproducts)
- Mining/Oil & Gas Extraction



- Transportation/Warehousing
- Utilities
- Public Administration
- Other, please specify

Approximately, how many employees do you have in Canada?\*

- 25 or less
- 26 to 100
- 101 to 500
- 501 to 1,000
- 1,001 to 5,000
- More than 5,000

Please provide any comments you may have on this survey:

Are there any topics that your organization would like to see in future research surveys? We would appreciate your suggestions below: