



# Incentive & Performance Management

The solution to computerize  
and oversee  
the Performance Management process

## The context

Performance, and consequently performance management, are pivotal elements in driving corporate decision-making for people and about people.

An ever more accurate management of individual performance is essential to:

- increase the organisation's ability to reach its predefined objectives;
- work with a view to strengthening the internal and external employability of people.

To translate this statement into real behaviour within the company, the human resource function plays a key role in:

- supporting top management in defining the most suitable system for the company;
- working with the managers to apply the system and helping them deal with the consequences;
- devising a communication plan to explain the management rationale and mechanisms and favouring comprehension;
- identifying practical and easy-to-use tools to manage the whole process.

In this context, I&PM's objective is to provide companies with a solution that allows them to reduce the time dedicated to Performance Management and concurrently increase its efficacy.

## What is Incentive & Performance Management (I&PM)?

I&PM is a web-based application created and developed by OD&M. It stems from the deep-rooted belief that combining engineering competencies in performance management systems with solutions that support their implementation ensures that clients gain value added solutions.

I&PM offers companies an effective and efficient solution to manage performance assessment systems and impact on variable compensation.

I&PM provides managers with a simple tool to manage their staff's performance and to supervise their area, while leaving governance and monitoring of the process to the HR function.

## The competitive differential

### Solid foundations

- Stems from consolidated experience in the design and management of Performance Management systems.
- Offers a framework supporting various definitions of performance.
- Ensures the management of several incentive-based models.

### Easy to use

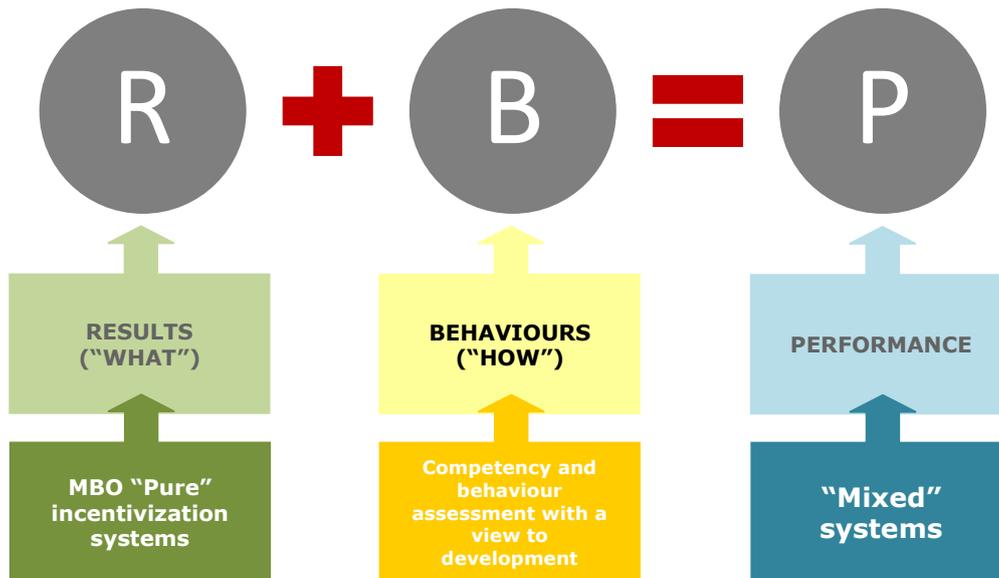
- Provides an easy tool for immediate use.
- Ensures real-time monitoring and automated reporting.
- Ensures access via internet to all players involved in the process.

### Benefit

- Reduces times and costs for process management.
- Reduces operating activities assigned to HR, who are thus free to focus on value added ones.
- Increases the overall efficacy of the performance management process.

## The proposed definition of performance

For the purpose of computerizing any performance management system, the design of I&PM was based on the consolidated performance model illustrated here below:



The application ensures the possibility to implement systems:

- exclusively based on results (WHAT);
- exclusively based on competencies and behaviours (HOW);
- based on a combination of both the above elements.

and possibly combine the performance assessment process with (individual, team and/or collective) incentivization, thus ensuring the computerization of any existing or newly designed system.

Moreover, the flexible model described above also includes the possibility to further customize the process:

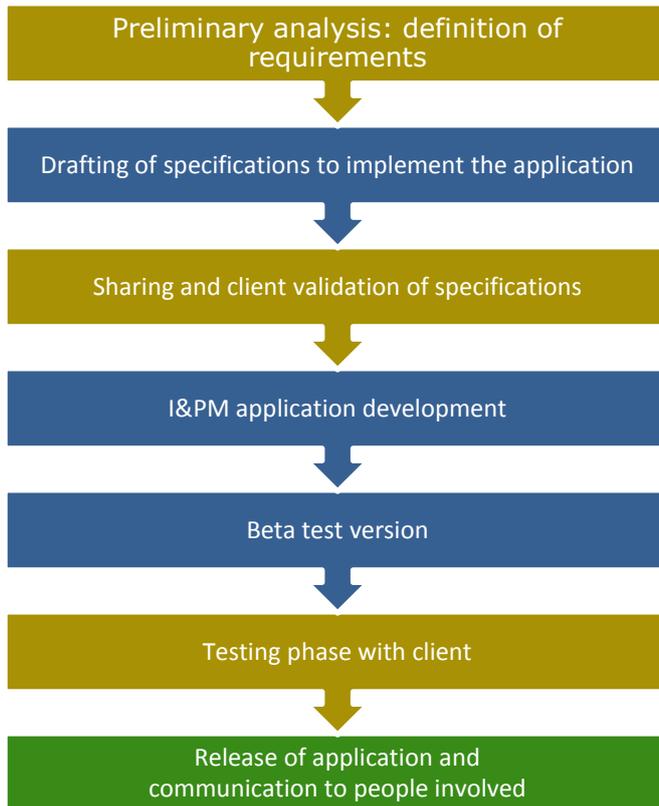
- both in terms of allocation of objectives; (top-down, bottom-up process, different levels of approval)
- and in terms of assessment; (self-assessment, assessment by a supervisor, collaborators, between colleagues)

with the option to integrate a 360° assessment on all or part of the population involved.



## The I&PM implementation method

I&PM is a web-based, SAAS-run tool, therefore without any need for the client to install it on its server or integrate it with other existing software. All people involved (system administrator, typically HR, assessors and assessed people) can use a dedicated web-based access to application, according to specific client-defined rules and authorisations.



The first step for implementation is an analysis of the client’s performance model, the process that the client wishes to adopt and the possible relations with other processes and/or information that the company intends to keep control of within I&PM. OD&M consulting expertise and the availability of libraries with hundreds of KPIs and Competencies increase the value of this step and may often generate system improvement opportunities. Access type and number, graphics and data import and export criteria complete the spectrum of the elements taken into account.

The analysis includes the final drafting of the specifications to be embedded into the customized version of I&PM and the development of the application (Beta Test) to verify consistency with requirements and test the proposed criteria of use for all the people involved.

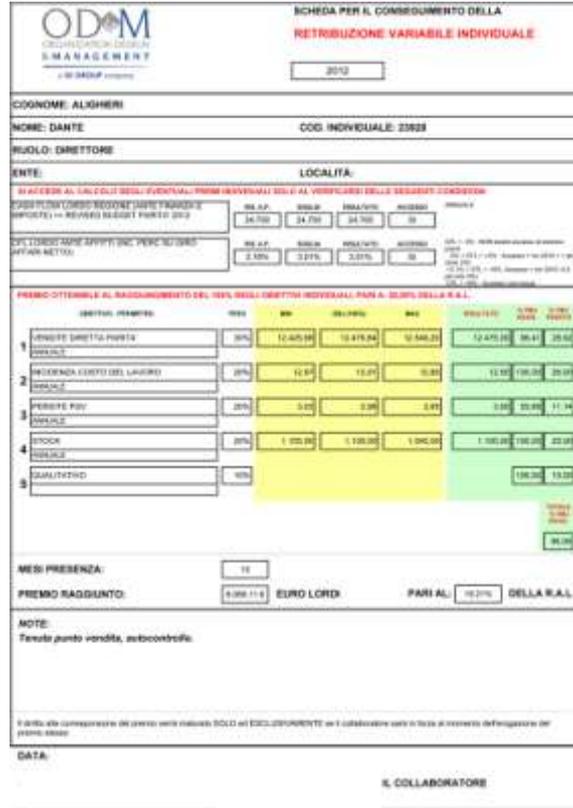
Subsequently, a stringent testing phase ensures progressive compliance with the specifications and the correct operation of the application, laying the conditions for the launch of I&PM within the company.

OD&M ensures training for HR managers responsible for managing the system and assistance in the first implementation steps that complete the project.

Lastly, according to criteria to be defined based on company requirements, collaboration is further developed over time through application maintenance, the necessary technical assistance and help desk to support the HR function.

## I&PM customization experience Performance scorecard (Results – MBO)

The image below is a scorecard (with objectives, targets, weights, amounts at stake and actually paid) of an employee of a hypermarket, with customised look&feel according to company style and graphics.



**RICHEGA PER IL CONSEGUIMENTO DELLA RETRIBUZIONE VARIABILE INDIVIDUALE**  
2012

COGNOME: ALIGHIERI  
NOME: DANTE COD. INDIVIDUALE: 23928  
RUOLO: DIRETTORE  
ENTE: LOCALITÀ:

**STACCO AL SACCOLO DELLA QUANTITÀ PRIMA INDIVIDUALE E AL VERIFICARE DELLE SEGUENTI CONDIZIONI**  
CONDIZIONI CONDIZIONE (DIRETTORE) (RIFERITE) = REVERSO BASSI PERIO 2012

INDICATORE	VAL. A.P.	VAL. B.	VAL. A/FIN.	VAL. B.F.	VAL. B.F.
CONDIZIONE CONDIZIONE (DIRETTORE) (RIFERITE) = REVERSO BASSI PERIO 2012	24.700	24.700	24.700	0	0
CONDIZIONE CONDIZIONE (DIRETTORE) (RIFERITE) = REVERSO BASSI PERIO 2012	2.000	3.075	3.075	0	0

**PREMIO OTTENIBILE AL RAGGIUNGIMENTO DEL 100% DEGLI OBIETTIVI INDIVIDUALI PAR A. 20% DELLA R.A.L.**

INDICATORE	VAL. A.P.	VAL. B.	VAL. A/FIN.	VAL. B.F.	VAL. B.F.	VAL. B.F.
1. ANNI DI DIRETTORE (RIFERITE)	20%	12.400,00	12.400,00	12.400,00	12.400,00	12.400,00
2. MEDIANZA CREDITO DEL LAVORO (RIFERITE)	20%	12,00	12,00	12,00	12,00	12,00
3. PERDITE FIV (RIFERITE)	20%	0,00	0,00	0,00	0,00	0,00
4. STOCK (RIFERITE)	20%	1.000,00	1.000,00	1.000,00	1.000,00	1.000,00
5. QUALITÀ (RIFERITE)	10%					100,00

MED. PRESENZA: 10  
PREMIO RAGGIUNTO: 4.000,00 EURO LORDI PARI AL: 40,00% DELLA R.A.L.

NOTE:  
Tavola punto vendita, autocontrolla.

DATA: \_\_\_\_\_ IL COLLABORATORE

## Performance scorecard (Competencies)

The image below illustrates the soft competencies section (including a description of the competency, requested level and supplied level) of the scorecard of a technical employee of an industrial organisation.

Range	Risultato	%
Da 0,00 A 70,00	INSUFFICIENTE	0%
Da 70,00 A 100,00	SUFFICIENTE	100%
Da 100,00 A 110,00	BUONO	110%
Da 110,00 A *	OTTIMO	125%

Item	Peso	INSUFFICIENTE	SUFFICIENTE	BUONO	OTTIMO
<b>CONOSCENZE PROFESSIONALI</b>					
<b>Conoscenza Tecnica/Professionale</b> Ha acquisito conoscenze e competenze professionali adeguate per svolgere le prestazioni lavorative in modo efficiente.	10%	0	0	0	0
<b>CAPACITÀ DECISIONALE</b>					
<b>Capacità decisionale</b> Ha dimostrato di possedere una buona capacità decisionale e, nel rispetto delle proprie responsabilità, di prendere decisioni appropriate attraverso un adeguato percorso di analisi.	10%	0	0	0	0
<b>ORGANIZZAZIONE E PIANIFICAZIONE</b>					
<b>Organizzazione e Pianificazione</b> Ha organizzato e pianificato le sue attività e quelle dei propri collaboratori in base alle priorità ed agli obiettivi da raggiungere.	10%	0	0	0	0
<b>IMPEGNO - CONTINUITÀ - ORARIO</b>					
<b>Impegno - Continuità - Orario</b> Ha dimostrato impegno e costanza di rendimento. È stato presente al di là del medio orario di lavoro.	2%	0	0	0	0
<b>AUTONOMIA</b>					
<b>Autonomia</b> Ha dimostrato capacità e volontà di perseguire autonomamente gli obiettivi senza aspettare input. È ricorso ai superiori solo quando indispensabile.	10%	0	0	0	0
<b>PROPOSITIVITÀ E INNOVAZIONE</b>					
<b>Propositività</b> Ha proposto idee nuove ed iniziative concrete mirate al miglioramento. Ha testato:	10%	0	0	0	0

## Performance scorecard (Mixed: Results and Competencies)

The image below illustrates the Objectives and Competencies Assignment Section of a credit institute with a mixed performance model (results and competencies); for each employee, objectives, competencies and weights assigned to each element are indicated.

**ISPM - Assegnazione Obiettivi Sistema Incentivante Classico** Ver: 1.0.02-12-200

[Funzioni Applicative](#) | [Gestione Dati Aziendali](#) | [Gestione Obiettivi](#) | **Gestione Processi** | [Eco \(Membri/Contributori\)](#)

Anno di riferimento: 2012 | Sotto periodo: 1 | [FILTRI IPOSTATI, clicca per modificare](#)

	Obiettivo 1	Obiettivo 2	Obiettivo 3	Obiettivo 4	Obiettivo 5
<b>ALIGHIERI DANTE</b> Ruolo: DIRETTORE Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 20%	STOCK 20%	QUALITATIVO 10%
<b>BOCCACCIO GIOVANNI</b> Ruolo: CAPO SETT DORI (ca-nel-soft) Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 20%	STOCK 15%	QUALITATIVO 15%
<b>LEOPARDE GIACOMO</b> Ruolo: CAPO SETTORI CABINE + CRTO Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 25%	AUTOCONTROLLO HACCP 15%	QUALITATIVO 10%
<b>MANZONI ALESSANDRO</b> Ruolo: CAPO SETTORI GASTRO - PESCE Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 25%	AUTOCONTROLLO HACCP 15%	QUALITATIVO 10%
<b>PETRARCA FRANCESCO</b> Ruolo: CAPO SETTORI SERVIZI Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 20%	BATTUTE ALLE CASSE 20%	QUALITATIVO 10%
<b>TASSO TORQUATO</b> Ruolo: CAPO SETTORI CABINE Valutatore: Stato di Processo: Assegnazione	VENDITE DIRETTA PARITA' 30%	INCIDENZA COSTO DEL LAVORO 20%	PERDITE PDV 25%	AUTOCONTROLLO HACCP 15%	QUALITATIVO 10%

## Process management monitor

The image below is the process management monitor of an industrial organisation with a mixed system (results and competencies), with the supervisor holding responsibility for the assignment and assessment of objectives and with the supervisor and the employee (self-assessment) responsible for the assessment of competencies.

**Monitora l'avanzamento**

[Gestisci Obiettivi](#) | [Gestisci il processo](#) | [Manuali](#) | [Cambia password](#) | [Eco \(risorse\)](#)

Anno di riferimento: 2012

Filtro Processo:

Persone che hanno passato la fase di: 
  
 Persone non ancora arrivate alla fase di: 
  
 Persone esattamente nella fase di:

Esporta in Excel | Analisi Payout

Cognome	Nome	Sistema Incentivante	Valutatore Assegnato	Supervisore Assegnato	Configurazioni scheda	Apprensione Supervisore	Apprensione HR	Preso Visione Collaboratore	Comunicazioni	Apprensione Supervisore	Apprensione HR	Preso Visione Collaboratore
ALIGHIERI	DANTE	Scheda MBO	FOSCOLO UGO	-	✓	✓	✓	✗	✓	✓	✓	✗
BOCCACCIO	GIOVANNI	Scheda MBO	FOSCOLO UGO	-	✓	✓	✓	✗	✓	✗	✗	✗
MANZONI	ALESSANDRO	Scheda MBO	FOSCOLO UGO	-	✓	✓	✓	✗	✓	✓	✓	✗
PETRARCA	FRANCESCO	Scheda MBO	FOSCOLO UGO	-	✓	✓	✓	✗	✓	✓	✗	✗
TASSO	TORQUATO	Scheda MBO	FOSCOLO UGO	-	✓	✓	✓	✗	✓	✓	✓	✗

## Result analysis monitor

The image below shows the result analysis monitor of an industrial organisation with a performance management system based on results and competencies. All personal data, assessments and possible impacts on variable compensation may be filed and queried over years and in subsequent assessment cycles.

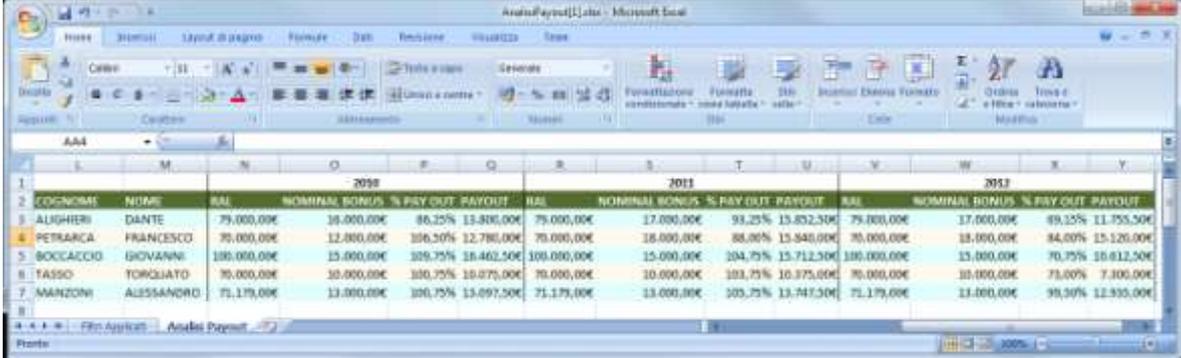
**Monitora l'avanzamento**

Gestisci Dati Aziendali | Gestisci Obiettivi | **Gestisci il processo** | Manuali | Esiti Admin

Anno di riferimento: 2012

Esportazione per Anzi | **Analisi Payout** | Analisi Media | Report su natura obiettivi | Report su Payout Scale | Report Statistiche Venditori / Developers  
 Report Statistiche Venditori / Developers Completo

Cognome	Nome	Sistema Incentivato	Relatività Assegnata	Superiore Assegnato
ALIGHIERI	DANTE	Scheda MBO	FOSCOLO UGO	-
BOCCACCIO	GIOVANNI	Scheda MBO	FOSCOLO UGO	-
MANZONI	ALESSANDRO	Scheda MBO	FOSCOLO UGO	-
PETRARCA	FRANCESCO	Scheda MBO	FOSCOLO UGO	-
TASSO	TORQUATO	Scheda MBO	FOSCOLO UGO	-

	2010				2011				2012			
	COGNOME	NOME	RAL	NOMINAL BONUS % PAY OUT PAYOUT	RAL	NOMINAL BONUS % PAY OUT PAYOUT	RAL	NOMINAL BONUS % PAY OUT PAYOUT	RAL	NOMINAL BONUS % PAY OUT PAYOUT	RAL	NOMINAL BONUS % PAY OUT PAYOUT
1	ALIGHIERI	DANTE	79.000,00€	86,25% 13.800,00€	79.000,00€	17.000,00€	93,25% 15.852,50€	79.000,00€	17.000,00€	89,15% 11.755,50€		
2	PETRARCA	FRANCESCO	70.000,00€	12,800,00€ 18,57% 12.780,00€	70.000,00€	18.000,00€	88,00% 15.840,00€	70.000,00€	18.000,00€	84,00% 15.120,00€		
3	BOCCACCIO	GIOVANNI	100.000,00€	15,000,00€ 15,00% 18.462,50€	100.000,00€	15.000,00€	104,75% 15.712,50€	100.000,00€	15.000,00€	70,75% 18.812,50€		
4	TASSO	TORQUATO	70.000,00€	10,000,00€ 14,29% 10.075,00€	70.000,00€	10.000,00€	103,75% 10.375,00€	70.000,00€	10.000,00€	73,00% 7.300,00€		
5	MANZONI	ALESSANDRO	71.179,00€	13,000,00€ 18,41% 13.097,50€	71.179,00€	13.000,00€	105,75% 13.747,50€	71.179,00€	13.000,00€	98,30% 12.935,00€		

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*We support organizations in managing their people and bringing out their potential, with innovative and research-based HR products and consulting services.*

**LEAD LOCAL, COMPETE GLOBAL**

*OD&M is a consulting firm specialized in **managing human resources and harnessing their potential**, as well as in designing organizational, management and corporate communication systems.*

*OD&M has a **leading role in compensation surveys** and benchmarking of methods and practices, with a particular focus on incentives and compensation policies.*

*Since 2007 OD&M is part of the **Gi Group**, the first Italian group offering dedicated services for the labour market.*

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