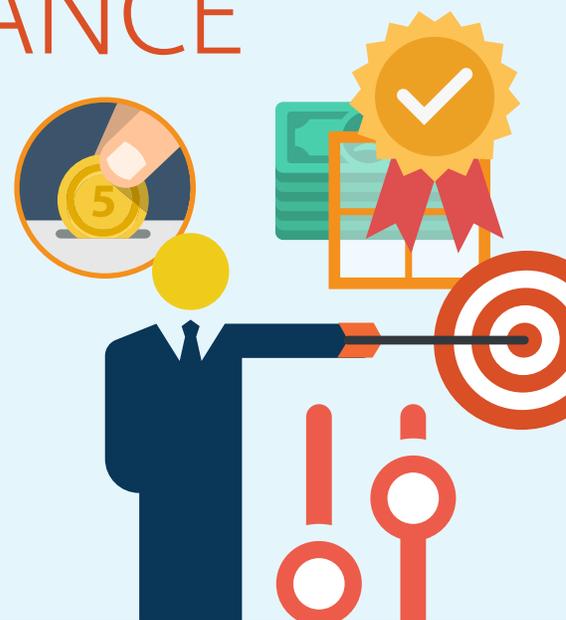


5 Ways to Enable a True PAY-FOR-PERFORMANCE CULTURE

Not surprisingly, pay matters. For most organizations labor is not only the largest expense, but also one of the top ways to attract, motivate, and retain talent. Increase accountability, productivity, and retention while aligning employees to strategic goals with these five strategies to foster a pay-for-performance environment:



1 ALIGN COMPANY AND INDIVIDUAL GOALS

Develop a deep understanding of company objectives and correlate individual employee goals to these objectives. By providing clearly articulated goals tied to the overall strategy, employees understand the clear link between their work and the achievement of company goals, increasing accountability and motivation.

RESULTS: Ensures that your employees' everyday tasks are aligned with the overall company goals, improving productivity and ROI.



2 MAKE THE COMPENSATION MANAGEMENT PROCESS TRANSPARENT

Providing transparency gives managers a clear picture of the employee and eliminates the mystery surrounding the compensation process for employees. By clearly communicating the elements of your compensation strategy you set well-defined performance expectations and help employees understand the true benefits.

RESULTS: Employees have a more positive view of programs they understand and are more engaged and satisfied.



REWARD INDIVIDUAL ACHIEVEMENTS

Break compensation program into specific goals each employee must achieve to realize the larger company goals. Rewarding individual achievements ensures each employee has control over the outcome and that rewards are related to the individual's personal efforts.

RESULTS: Establishing individual goals fosters accountability and improves employee engagement.



CALIBRATE PERFORMANCE ASSESSMENT ACROSS THE ORGANIZATION

Adjust for differences in how managers evaluate performance by comprehensively calibrating employees' individual results against their peer group based on defined criteria. Consistent application of performance assessments assures that top performers are properly identified and the perceived value of the incentives program is not diluted.

RESULTS: Ensure that performance is assessed uniformly across the organization.



LINK PERFORMANCE MANAGEMENT WITH COMPENSATION MANAGEMENT

With real-time access to employee data, managers have the information they need to make better-informed decisions and employees are aware of their performance on an ongoing basis. Integrating compensation, succession and performance data, allows organizations to save time and money while eliminating errors.

RESULTS: Strategically allocate your budget and ensure top performers are fairly compensated – increasing retention and motivation.

Cornerstone Compensation makes pay-for-performance happen by managing all types of employee compensation programs including salary, merit increases, market adjustments, lump sum payments, and other discretionary pay components.

Cornerstone OnDemand is a leader in cloud-based applications for talent management. Our solutions help organizations recruit, train, manage and connect their employees, empowering their people and increasing workforce productivity. To learn more, visit [csod.com](https://www.csod.com).