

Piloting a Fair incentive instrument in Amman- Jordan for better retention In the industry Sector

Objective of the assignment:

1. Developing human resources systems in the industrial sector to transform existing incentive systems into fair and transparent system.
2. A fair incentive system will be rebuilt through application to an approved number of partners.
3. Work to increase the satisfaction of employees, especially workers in the field of production.
4. Groups and Individuals KPIs
5. Increase loyalty and belonging to the company and increase enthusiasm in work and production

Benefits of the Faire Incentive Instrument:

1. A tool for promoting and encouraging the Human Capital, by judging their performance and determining their strengths and weaknesses,
2. improve their contribution in the overall company's performance
3. Emphasis on their satisfaction .
4. Improve the trust in between the top management and the individuals

Why this Instrument is important?

1. A worker / employee feeling that he / she is a partner in a portion of the profits, will increase loyalty and belonging to the company, leading to continued and lower employee turnover.
2. If the worker knows that he/ she will get an incentive as his/her productivity increases and his performance indicator improves, he will work on this

increase continuously. Consequently, the interest will return to both the company and the worker.

3. The more transparent the incentive system is, the more the worker / employee will be able to predict the amount to be paid. And thus unite its objectives with the objectives of the company to get the incentive, and increase the productivity to lead increasing the net profits of the company.
4. The worker / employee's sense of fairness will improve the organizational environment within the company and strengthen the relations between management and employees and between the employees themselves. Then the employee satisfaction will increase.

Fairness:

Addressing “work life” in companies and its related regulations & its systems, and its employees’ relationships with themselves and their peers and colleagues, in addition to their way of dealing with tools and equipment based on ethical and religious values, guaranteeing equality of opportunity and giving everyone the right and not injustice in order to achieve the satisfaction of employees and customers.



Organizational Culture

Is a homogenous mixture consisting of the value system of the institution, combined with knowledge and skills



Methodology to achieve the project objective

Starting the process of organizational diagnosis, including identifying the organizational performance such as:

1. Studying the vision, mission and values of the company
2. Organizational Structure
3. Identified the process and procedures
4. Authorities and Responsibilities
5. Resources Management

6. Knowledge Management
7. HR management
8. KPIs
9. Performance Evaluation. Etc.....

Administrative development focused on:

1. Conducting training sessions with the Human Resources Department and all officials and supervisors (middle management in the company)
To know how they identify KPIs
2. Studying the company's incentive system and starting to design a fair and applicable incentive system linked to other HR systems. and identify the KPIs
3. The study of KPIs, if any linking them to the proposed fair incentive system
Study the objectives of the company and implementation programs linking them to performance indicators and achievement ratios

Approach:

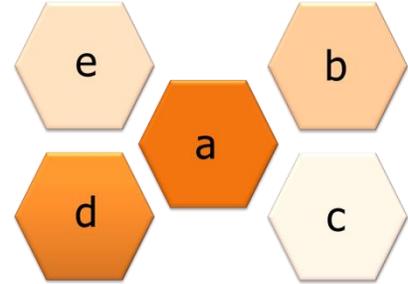
The first stage

- Study and analyze the organizational environment and the degree of employee satisfaction.
- Develop human resources systems in their general form and focus on designing a fair incentive system.

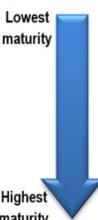
Design a fair incentive system

- The weights of importance for each activity of the industrial company are determined to determine the share of each activity of the incentive.
- The organizational performance index is determined for the sections or department and is followed up to know the achievement.
- The individual performance indicator is determined and tracked. Periodic evaluation is also done for each employee/ worker.

- Part (a) is related to the Jordanian industrial sector and its characteristics
- Part B is related to the industry under study and its characteristics.
- Part "c" is related to the nature of the industrial processes in the plant.
- Part d is related to the activities and procedures in the plant.
- Part "e" is related to products.



The Fair incentive is linked to the physical, human and economic potential of the company, its growth, and the maturity of the established organizational management systems.

	Organization Maturity Level	Fair incentive Instrument components	Max. Value of Incentive
Lowest maturity  Highest maturity	1	a	5 %
	2	a + b	9 %
	3	a + b + c	12 %
	4	a + b + c + d	14 %
	5	a + b + c + d + e	15 %

(*) Organizational Maturity Levels as defined in ISO 9004:2018, and calculated using TEAM's Scoring sheet in Appendix no. 6



- Training and application
- Monitoring and evaluation
- Handbook , SOP and Forms
- Implementation.

What is required of companies for successful application?

- Commitment of top management
- Organizational structure and clear functional structure
- Vision, mission and values of the company
- Groups and individual performance indicators
- Clear and declared financial statements
- Applied Quality Systems.



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