



Workstream | SUCCESS

INSPIRE YOUR WORKFORCE, TRANSFORM YOUR BUSINESS.

MEDIA INDUSTRY

“Line managers made higher quality decisions in less time, which could then be redirected, to managing their individual businesses. It was a win-win for everyone.”

Senior Comp Manager

Optimized Compensation Planning Process Saves Media Giant \$1 Million in First Year

World-class provider of business information and news successfully deploys Workstream Compensation solution to deliver on strategic pay-for-performance goals, streamline planning cycles and optimize compensation spending.

Challenge

A large Fortune 1000 publishing firm with more than 8,000 employees wanted a way to help managers connect pay with performance while reducing the amount of time and money spent planning and administering their annual compensation cycle.

While a pay-for-performance strategy drove their decision making process, the company also sought to realize direct financial returns in order to justify the investment.

Prior to the Workstream implementation, the company had 150 managers who spent between 10-15% of their time during the annual 13-week planning period working on compensation planning. They realized that shortening the planning period, and thereby reducing line management costs, would significantly impact the company's bottom line.

Solution

The company set out to address their compensation management and planning challenges by selecting and implementing Workstream Compensation for the 2001-2002 compensation period. Workstream Compensation is a web-based solution that simplifies overall compensation management, including salary, variable pay and stock, by integrating employee information, analytical tools, expert knowledge and situation-specific guidance into a single product.

Real Financial Benefits

Year 1\$1,140,000
Year 3\$3,500,000
Total 3 Year ROI600%

About Workstream

Workstream provides on-demand compensation, performance and talent management solutions and services that help companies manage the entire employee lifecycle - from recruitment to retirement. Workstream's TalentCenter provides a unified view of all Workstream products and services including Recruitment, Performance, Compensation, Development and Transition. Access to TalentCenter is offered on a monthly subscription basis under an on-demand software delivery model to help companies build high performing workforces, while controlling costs. With offices across North America, Workstream services customers including Aspen Ski Company, Chevron, EMS SATCOM, Kaiser Permanente, Nordstrom and Wells Fargo.

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The Workstream Compensation deployment represented the company's initial step toward Manager Self Service and was the only Human Resources application implemented in 2001. The solution was initially deployed to 150 line managers who planned merit, variable pay and stock compensation for 3,000 employees globally.

The Results

Workstream Compensation's intuitive, graphically rich user interface couples informative analytical tools and situation specific advice from the KnowledgeManager™, allowing managers to make faster, more informed decisions.

As a result of the implementation, the company reduced their compensation planning period from 13 to 5 weeks, slashed line management compensation planning costs by more than \$200,000 and management time by 62%, which enabled them to focus more energy on running their business.

The shorter planning period also directly benefited the compensation group by decreasing departmental costs and reducing the hours spent managing and administering the process by 78%. Workstream Compensation proved so effective that the company chose to transform their compensation managers into strategic advisors, which further benefited line managers.

Using these basic benefits to calculate Return On Investment (ROI), the company will achieve breakeven on their Workstream investment in just over one year (12.6 months). While projecting over a 3-year time frame, assuming a 15% cost of capital, the company will see more than 167% ROI.

The deployment of Workstream Compensation enabled the company to realize its strategic goal of connecting pay with performance. Before using the product, line managers were measured on their ability to stay within an aggregate compensation budget increase within their group. Now they are measured on their ability to adhere to an average percentage increase in pay per employee – an important change made possible through the use of Workstream Compensation.