

# Success Story: Aligning, Driving and Rewarding Group Performance

## Client Challenge

- A \$400 million mining company's financial success had fostered a culture of complacency amongst employees and leaders
- The business had a history of failed incentive plans
- The cyclical nature of the commodity market made it difficult to develop effective long-term compensation programs given large vacillations in company financial performance

## Our Solution

- Educated management on the critical success factors for group incentives
- Led a cross-functional design team to develop and implement a gainsharing plan incorporating a balanced set of performance metrics to drive desired operational and financial results
- Educated employees on how their actions impact: 1) their individual incentive opportunity, and 2) the Company's bottom line
- Developed a flexible scenario planning model to enhance and simplify plan design, communication and administration
- Instituted a management goal setting process for establishing realistic and attainable goals in a highly variable operating environment

## Impact

- Following implementation:
  - Equipment utilization improved 14% in three months
  - Throughput increased 16% in three months
  - Overall throughput increased by 23% in the first six months
  - Cost per ounce was reduced by 25% in first nine-months

Execute for Impact