Peopleclick Authoria Case Study:
Scotiabank

Scotiabank at a Glance

INDUSTRY:
Financial Services

HEADQUARTERED:
Toronto, Ontario, Canada

EMPLOYEES: 68,000

GOALS:
- Error-free, streamlined compensation process
- Maintain confidential nature of compensation information throughout the organization
- Centralize process and repository for executive compensation data
- Support multiple currencies and employees across fifty countries

THE SOLUTIONS:
Peopleclick Authoria Salary
Peopleclick Authoria Incentive
Robust reporting tool developed by Scotiabank's internal IT team

RESULTS:
- Dramatic reduction in overtime required during critical compensation planning months
- Time spent on compensation decision making process reduced from over one month to just ten days
- Ease-of-use allows for rapid plan definition when new compensation plans are introduced
- Centralized, online repository for compensation data mitigates risk while dramatically increasing accuracy and consistency

Rapid change on many fronts is altering how we compensate employees – those whose very knowledge, talent and effort our future success depends upon. The steady march toward globalization and the impending workforce shortage promise to make recruiting and retention far more challenging. These and other factors are destined to transform traditional compensation practices. And, as always, the competitive advantage will go to those quickest to adapt.

Given compensation's dominance in the corporate ledger's expense column and its ever more intricate nature, companies that manage it most effectively will gain a clear competitive advantage. They will not only obtain optimal return on every compensation dollar, but also be able to attract and retain the best talent.

With an international workforce of approximately 68,000 employees spread across 50 countries using many different currencies, mitigating risk and assuring accuracy and consistency of data is an imperative for Scotiabank. Scotiabank provides a broad range of retail, commercial, corporate, investment and international banking services to millions of customers around the globe. Dan Watt, Scotiabank's Director, Human Resources Systems Solutions at the time of implementation explains, "Risk is almost always a component of a business case at the Bank – we are dealing with our employees' pay and errors are just not acceptable."

Challenges

Prior to the Peopleclick Authoria solution, Scotiabank was using spreadsheets to process their annual executive compensation process. Distribution of the spreadsheets was primarily through email, though did involve a combination of faxes and diskette distribution. Sometimes numbers had to be re-keyed, and handwritten changes on faxes had to be deciphered, raising the potential for error. It was through the dedication of Scotiabank employees and a heavy, labor-intensive audit process that delivery of the annual compensation process was error-free prior to implementation of the Peopleclick Authoria solution.

Like Scotiabank, many companies are struggling with the arduous task of consolidating spreadsheets to manage their compensation process. However, according to a Gantry Group study, investments in HR automation are on the rise, up 5.1% in 2003. Scotiabank's determination to centralize their compensation information to reduce risk and make the administrative processes more cost effective was a cutting edge decision that reinforced their position as a forward-thinking company.

Scotiabank needed to create a central online repository for their compensation data so the information could be used worldwide, and it had to be adaptable enough to support many currencies. Scotiabank was looking for a solution to guarantee the accuracy and consistency required for their executive compensation programs. It also had to be flexible enough to support many different types of plans in order to support their global population.

Solution

After looking at two alternatives, including an internally-developed solution, Scotiabank chose Peopleclick Authoria Salary for salary planning and bonus and Peopleclick Authoria Incentive for mid-and long-term incentive management.

Scotiabank chose Peopleclick Authoria Salary and Peopleclick Authoria Incentive to deliver accurate payments and centralized data, allow access from anywhere in the world and reduce the risks of manual error. "With Peopleclick Authoria Salary it is like night and day compared to our old system. In one instance a new compensation program was introduced three weeks before the payout date. We were able to get the plan defined in the system and the amounts assigned to the employees. That would just not have been possible with the old spreadsheet approach. The Peopleclick Authoria product made this much easier," Watt said.

The implementation of their compensation initiative occurred very rapidly. The scope of the project included two different organizations within Scotiabank, 11 bonus plans, 4 stock plans and 2 salary plans. The entire rollout took place within a six-month period.

Scotiabank staff did not require extensive training during the deployment stage, a 30- 40 minute instruction on how to use the system proved sufficient.

Results

With the implementation of the Peopleclick Authoria Compensation solutions, Scotiabank has seen notable results. Scotiabank has been able to dramatically reduce the amount of overtime. Watt tells us, "Credibility of the process has increased and we have been able to reduce the time it takes to allocate and audit the bonus, stock and salary adjustment components of our executive compensation programs … everyone gets more sleep now."

And, Scotiabank has trimmed their compensation decision-making process drastically. What once took well over one month and included many hours of overtime now takes only ten business days.

Jonty Hart, Senior Manager, Total Compensation Group tells us, "The compensation decision-making process has been reduced each year since implementation. Prior to the Peopleclick Authoria implementation, the compensation decision-making process took over one month from the release of worksheets through to approvals, not taking into account overtime. The process now takes 10 business days."

Jonty continues on to say, "Feedback from the users has been very positive. Through time, more users are beginning to see the benefits of having access to compensation information at their fingertips throughout the year, as well as during the critical compensation planning months."

Peopleclick Authoria Salary and Peopleclick Authoria Incentive are the vehicles for decision making around Scotiabank's executive bonus programs. Going forward, Scotiabank plans to leverage modeling capabilities within the product to provide managers with robust information all year long. This, combined with market survey information, means managers have access to information they need to make informed compensation decisions and thus a competitive workforce.

With Peopleclick Authoria Incentive and Peopleclick Authoria Salary, you are able to attract, retain and develop high performers, while developing the organizational capability necessary to outperform the marketplace. You get best-in-class capabilities for all system users – compensation and benefits directors and managers – who depend on an accurate, secure and flexible compensation management process.

About Peopleclick Authoria

Peopleclick Authoria is transforming Talent Management through best-of-breed technology and expertise. With a deep focus on business intelligence and analytics, the Company's technology gives clients the actionable insight required to make strategic decisions that drive better business results. Nearly 60 percent of the Fortune 100 use Peopleclick Authoria Talent Acquisition, Talent Management and Workforce Compliance and Diversity solutions to manage salaried, hourly and contingent labor across their organization. These solutions manage the entire talent lifecycle from recruiting to onboarding and through the ongoing management of each individual's career while helping organizations measure, analyze and empower their existing workforce. Both founded separately in 1997, the two human capital management companies joined together in 2010 to form Peopleclick Authoria. The Company's solutions currently support more than 2,400 organizations ranging in size from large, global corporations to small and medium-sized businesses in more than 214 countries and territories.

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