



Insurance leader musters remuneration and performance management



Servicing rural New Zealand since 1905

Farmers' Mutual Group (FMG) was established in 1905 by a group of New Zealand farmers for farmers and is now the country's leading rural insurer. The company has offices and employees based throughout New Zealand.

For over a century, the New Zealand owned organisation has been providing a wide range of financial services to the rural sector.

Although FMG was established as a provider of insurance to farmers, it's target market and service offering has expanded.

Lack of consistency across organisation

FMG had an ad-hoc approach to remuneration and performance management using spreadsheets to complete reviews, which caused version control and data quality issues, says Andrea Brunner, FMG's General Manager of Human Resources.

"There was no central depository for agreements, no management oversight and no checking procedures in place to ensure processes were followed. Effectively, there was no visibility from others outside of the immediate team and no reporting back to management on whether the process was effective or not."

FMG wanted to enhance its remuneration and performance management reviews, increase visibility and gain more control over the processes.

"The main purpose of our remuneration strategy is to attract and retain the right people and to have our employees feel valued."

While maintaining market competitive salaries, Andrea says FMG also needs to ensure they are recognising and rewarding the right people for the right behaviours and results. "We recognise not only good performance but the way it is achieved in terms of adherence to company values."

Although performance management processes were being followed well in some areas of the business, there was no consistency across departments.

"We had little recognition of peoples' impact within their team and also their impact on how the company as a whole performed," says Andrea.

Other issues they were experiencing with their manual remuneration and performance management processes were ensuring reviews were completed on time and accurately, and ensuring managers understood company guidelines in terms of what they should be considering and recommending.

CUSTOMER:

FMG, New Zealand's leading rural insurer

BUSINESS ISSUES:

Quality, consistency and usability of remuneration and performance management

SOLUTION:

Remuneration Ally and Performance Ally

OUTCOME:

HR team strategically focused, managers empowered and employees more engaged



“We’ve seen increased consistency and visibility of key processes, a reduction in data duplication errors, and an overall enhancement in the way remuneration and performance reviews are performed.”

Andrea Brunner

General Manager,
Human Resources – FMG.

About Pivot Software

Pivot Software provides human resource software solutions that enable organisations to improve the effectiveness of key processes like remuneration and performance management. We enable our clients to improve their control over the complex and often emotional human resource processes.

As human resource professionals, we understand how well-managed remuneration and performance management processes contribute to employee engagement and enable the HR team to take a more strategic role in the company.

Pivot software solutions are used by organisations with workforces ranging from 400 to more than 6,000 in sectors like banking, insurance, professional engineering, utilities, retail and government.

Delivered as software-as-a-service, our solutions are configured to your needs and fit with any corporate IT infrastructure.



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know more?

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Finding the right fit

FMG wanted remuneration and performance management systems that were easy to administer from the back end, without creating a huge reliance on, and the associated costs, of a software vendor. “We assessed potential solutions based on: how quickly they could be implemented; how closely they met our needs; how functional and efficient they were; their cost effectiveness; ease of use and configurability,” says Andrea. She says their top priority was for systems that were very easy for managers to use. “We wanted a system that could be implemented quickly, was easy to use and could be configured to suit our business language and needs.”

Having seen Pivot software used at a previous company, Andrea knew it would be the right fit for FMG. “Pivot’s software capabilities, their well-resourced team and accessible support ticked all the boxes for what we wanted in separate yet integrated remuneration and performance management solutions.”

After reviewing existing remuneration and performance management processes, FMG introduced some new practices that would allow automation to be more effectively applied. The organisation then implemented Pivot’s Performance Ally and Remuneration Ally.

OnTrack to improve performance management processes

FMG gave Performance Ally an internal name - OnTrack, which encompasses individual, team and company objectives and allows the company to ensure there is an element of those key drivers in everyone’s performance objectives.

“As an organisation it allows us to review all those expectations that we have always had but haven’t always had recorded in one place and communicate those much more clearly to managers,” says Andrea.

Employees and managers are expected to login, review and track progress against their performance objectives and setup action and development plans. Andrea says it allows people to take more control of their personal development.

“Although a significant proportion of people’s performance measures are based on what they do individually, it’s important for employees to recognise their place in the organisation and how their role supports other team members, whilst also ensuring the success of the company as a whole.”

Gaining more control over remuneration reviews

FMG’s remuneration solution, renamed RemTrack, has increased the efficiency of remuneration processes and allows managers to finalise reviews and produce letters themselves, without waiting for the HR team to complete them.

Andrea says the ability to control the accuracy of the data at all stages of the process is invaluable. “We used to send out the best quality data we could to managers, but once the spreadsheets got into their hands we lost control, and what we ended up with were spreadsheets that were accidentally changed or incomplete. To know that the data is accurate, this is a big time saver in itself.”

Process improvements felt throughout organisation

FMG saw benefits from day one. “We’ve seen increased consistency and visibility of key processes, a reduction in data duplication errors, and an overall enhancement in the way remuneration and performance reviews are performed,” says Andrea.

“From a senior management perspective, it gives us much better data for auditing and reporting and the process is much quicker and efficient.”

Andrea says Pivot’s software offers the organisation improved reporting, increased oversight of remuneration and performance management processes, and an ability to see where people are at so that progress can be monitored and outcomes can be effectively reported on.

“Our HR team has the ability to monitor progress and ensure staff are adhering to processes. Employees feel more involved than they did previously and we’ve had comments that they now have a greater understanding of FMG’s approach to performance & development reviews. The use of OnTrack has given them a greater level of assurance that processes are applied consistently across the organisation”.

Ongoing enhancements increase efficiency further

Andrea says FMG like that their remuneration and performance management systems have the same look and feel and the same level of support, instead of them being standalone systems.

“Feedback so far is that our managers find it very straightforward and logical to follow; it is a big improvement in comparison to what they have had in the past.”

As General Manager of Human Resources, Andrea has multiple logins, so she can perform her own reviews, manage the reviews of her team and print off reports to see outstanding reviews across the organisation.

Although the majority of additions FMG request are configured on the spot, Andrea says Pivot listens to their needs and are very willing to add other suggestions to the development pipeline.

“Pivot is responsive and their support is flexible. Their technology is adaptive and configurable to suit our needs and they are able to make change requests quickly.

“Make the decisions regarding your people
and we will take it from there”.



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