Designing Executive Compensation to Drive Performance and Engage Leadership

Executive Talent Strategy

Questions to Consider

1 Do we have the tools we need to attract the talent we require in new, emerging and changing roles?

2 How should incentive programs be structured to meet performance priorities and the time horizon for success?

3 Are we effectively identifying our high performers and high potentials; are we supporting their retention?

4 Are we developing our talent from within to ensure there is a robust pipeline for future succession?

5 How do we maintain a sustainable executive talent cost position?

The following actions should be considered when designing executive compensation programs to support the talent strategy:

- **Peer groups and pay for evolving roles**

- **Incentive program design**

- **Retention and development**

ACTIONS

Compensation Committees should engage in a broad range of actions to ensure the program supports its requirements:

- ✓ **Validate** and **refine** compensation program strategy/philosophy

- ✓ Review composition and use of **peer groups**

- ✓ Evaluate **incentive programs**

- ✓ Determine if **retention** is sufficient

- ✓ Consider **segmentation** of programs for new and emerging businesses

- ✓ Ensure executive **succession** and **development** is on the calendar

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