

Task 1

Introduction

This report aims to provide an understanding of the fundamental principles, context and approach of reward practices and how their relationship to performance and business outcomes can be improved through sustainable ethical, equal and equitable reward strategies which address the needs of all stakeholders.

1.1 The principles of reward and its importance to organisational culture and performance management.

Both practitioners and scholars agree that performance outcomes are positively impacted by reward and recognition (Barends et al, 2022). Hajduk (2017) identifies reward as encompassing *'everything an employee derives from their work'*. Total Reward is a concept that has evolved as priorities and perceptions of recognition and reward have shifted (Thompson, 2002) towards implementing rewards which are fair, mutually beneficial and align both business and workforce needs (Abdulmalek, 2023) whilst simultaneously supporting the organisations values, culture and stakeholder interests (Cotton, 2023a). There are many models and tools available which can help to foster, explain and inform performance performance management (Gifford & Wietrak, 2022) which can help the organisation understand and overcome the dynamics and challenges attaining of performance excellence.

Total reward strategies principally shape desired behaviours by aligning pay and benefits with bonus and incentive plans (Cotton, 2023b) which recognise and reward performance that achieves specific business strategies and goals (Abdulmalek, 2023). Strategies combine tangible pay and benefits with non-monetary, intangible provisions (Cotton, 2023c) to drive performance and maximise employee attraction, retention, commitment and engagement.

Effectively developing and integrating a 'total reward' programme structure which interlinks employee engagement with the organisations strategic goals can result in a high performance culture (Cascade, 2022) however this is complex and requires a plethora of accurate research and knowledge (Thompson, 2002) that encompasses all internal and external influences including an understanding of the market conditions, competing stakeholder needs and wants, legislation and regulations, motivators, budgets and ROI to name just a few. The 'reward' however is enhanced performance management through transparent, equitable, fair and ethical pay and reward strategies which results in constructive employment relationships (Lupton, et al, 2015). Applying evidence-based practice principles when implementing, measuring and reviewing reward strategies (Gifford & Young, 2021) will ensure the organisation can identify more accurately those factors that engage, inspire and drive superior performance (PeoplePointHR, 2023).

1.2 How policy initiatives and practices are implemented

A total reward strategy uses both financial and non financial rewards to attract, motivate and retain an effective workforce using a complex and diverse set of rewards to create a powerful and unique employer brand. By adopting a 'best fit - contingency approach' (Cotton, 2023d) in the development, integration and implementation of initiatives and practices which are designed to be aligned with the organisation's unique culture, work processes and structures will result in achieving organisational outcomes through a motivated workforce (3R, 2019) thereby supporting both business and employee aspirations. Central to any total reward system is equity, justice and cooperation (Lupton et al, 2015).

Designing and implementing effective policies requires a thorough understanding of how future performance will be impacted (Park & Sturman, 2012). Effective communication and collaboration throughout the organisation, at all levels, around the development and implementation of policies and procedures is essential for success (McMullen & Scott, 2020). 'Predictable performance' can be achieved by managing expectations appropriately through well established standards (Cascade, 2022).

Clearly defining and communicating the link between required performance and the form, size, basis and timing of rewards (Lupton, et al, 2015) can ensure that employees understand the behaviours and values required to achieve the organisations strategic goals and objectives and can be a key differentiator of success (McMullen & Scott, 2020). It is recognised that line manager and employee participation and collaboration in initiatives is in itself a motivator and ensures a sense of inclusivity and shared ownership. The organisation, in addition, gains insight into the appropriateness of the rewards strategies (Barends et al, 2022b).

Understanding what employees value so that reward strategies encompass relevant, flexible choices of rewards and benefits that are tailored to meet their needs can result in high performing employees which are a key source of competitive advantage (Cotton, 2023d). Any policy or practice, however innovative or unique, will fail to achieve the desired results if the reward philosophy and strategy is not aligned with and affirmed by the workforce (McMullen & Scott, 2020) or does not meet the complexities and imperatives of varying needs of stakeholders (Lupton et al, 2015).

1.3 People and organisational performance impact on the approach to reward.

There is substantial research which identifies that engagement and performance *'influence each other'* (Gifford, & Young, 2021). Social Sciences Studies state that recognition increases performance (Social comparison theory) and performance can be predicted through measures of employee commitment, engagement and strong identification with the organisation (CIPD/HPC, 2020). Employee engagement is increasingly used to inform decision making as it has been widely recognised as an important gauge of organisational health (Gifford, & Young, 2021)

Cost and efficiency are a key factor of any reward strategy (Thompson, 2002). Productivity can be increased through investment in benefits (*including training, etc*) which results in mitigating long term increased wage costs (Fordham, 2016). Understanding employees' perceptions of the rewards programme and the behaviours required to achieve effective performance are critical to ensure a return on investment for the organisation (McMullen & Scott, 2020). Implementing processes and KPI's that measure, recognise and reward achievements in 'real time' can ensure employees are continuously incentivised (Jansen, 2022) and the organisation can establish the ROI derived from fostering greater employee engagement (Gifford & Young, 2021).

It is essential to recognise differences in the needs, wants, values and expectations of employees at different stages in their lives and employment lifecycle (Thompson, 2002) and understand that responses to stimuli will be different depending on these factors (Cotton, 2023b). Almost all (95%) of employers who participated in a 2019 AON survey on Benefits and Trends identified a change in employees priorities as a result of a shift in employees' expectations of their working experience (Howlett, 2019).

Reward strategies need to be agile enough to respond to external challenges. The increase of remote and hybrid working since the pandemic has reprioritised 'traditional' benefits that were focused around the 'office environment' (e.g., free parking, social gatherings, etc) (Jansen, 2022) and employees now prioritise non financial (e.g. flexible working hours, wellbeing, parental leave, etc) above '*pay or perks*' (Howlett, 2019). Focusing rewards on developing a mutually beneficial employment relationship through benefits that appeal to employee values and lifestyle (Thompson, 2002) will instil a mindset which aligns employee performance to the key strategic priorities of the business.

1.4 Types and Merits of different benefits

Benefits are an important component of the overall reward package (Cotton, 2023a). The range of 'tangible' (e.g. gift cards, pay rises,) and 'intangible' (praise, autonomy, training) benefits each present both opportunity and risk (Cotton, 2023c) and will be dependent on many factors including stakeholder interests, affordability (Cotton, 2023a) and the size of the organisation (3R Strategy, 2019)

The benefits package can significantly impact wider business goals (Cotton, 2023a). The right package attracts, engages and retains the skills and talent to drive increased commitment and productivity (Cotton, 2023c). Some benefits are mandatory e.g. NMW, e.g. paid holiday, paid parental leave, (Cotton, 2023a) and the costs are unavoidable. Schemes over a certain level are subjected to income tax (Cotton, 2023b) whilst those supporting government policy e.g. low emissions; pension contributions, can result in tax efficiencies (Cotton, 2023c). In today's economic climate the cost implications of tangible benefits need consideration and includes benefits linked to earnings e.g. overtime rates, enhanced maternity leave, death in service, bonuses (Fordham, 2016). The attraction of certain 'financial' benefits has diminished since the tightening of the tax regime in the 80's Cotton (2023a)

The last decade has seen an increase in less 'traditional' benefits which go beyond enriching just the employees working life (Lockwood, 2022) and requires an understanding of '*what is seen as a benefit*' as employees preferences of being treated respectfully, flexible working and development opportunities (Cotton, Marriott & Perkins, 2022) have superseded 'tangible' rewards.

Discounted benefits remain popular, the flexible 'cafeteria approach' allowing employees to tailor the benefits to best suit their needs and circumstances (total reward) has risen and voluntary benefits have decreased (Cotton, 2023c) however too much choice can inhibit effective decision making due to 'overload' (Cotton, Marriott & Perkins, 2022).

Employees want benefits that are appropriate to them which increases the value they personally derive from their employment (Lockwood, 2022), therefore employees' perceptions and understanding of the value of the benefits offered are critical (Cotton, 2023a) and the benefits available must be communicated effectively.

1.5 The contribution of extrinsic and intrinsic rewards to improving employee contribution and sustained organisational performance.

Extrinsic rewards are tangible incentives and recognition designed to maximise external motivation. Extrinsic motivation can be reward, power or fear based (Nickerson, 2023). Contrastingly, autonomous intrinsic motivation is derived from internal psychological factors. Intrinsic rewards are intangible and emanate from interest or enjoyment in the behaviour and feeling valued (Barends et al, 2022b). According to Nickerson (2023) the most notable identified by research are '*challenge, curiosity, control, and context*'.

There are numerous contextual factors and external events that can diminish the satisfaction and positive effects of rewards including perceived fairness and type of task (Barends et al, 2022b). A recession or redundancies for example can significantly impact confidence and make people reassess their priorities (Lupton, et al, 2015)

There are several theories (e.g expectancy, reinforcement, self-determination) and strong support from scientific research (Barends et al, 2022b) that motivation and performance are enhanced by external rewards. Principal-agent theory according to Lupton, et al (2015) implies financial rewards elicit a rational response and therefore shape employee behaviour. A behavioural perspective however offers a very different conclusion contending that financial incentive can 'crowd out' intrinsic motivation. In addition, if leveraged too strongly they can incentivise unintended behaviour such as excessive risk (Cotton, 2022e).

It has long since been recognised that external rewards are insufficient in deriving desired behaviours (Thompson, 2002). It is necessary to understand how to balance extrinsic rewards and benefits to elicit voluntary commitment and engagement without undermining intrinsic motivation. People are complex individuals motivated by different internal and external dynamic contextual factors at different stages of their employee lifecycle with many organisations facing the increased complexity of satisfying the '*nuances of 5 generation workforces*' (Freifeld, 2016). This is making it increasingly difficult to make generalisations about needs and preferences and therefore difficult to determine which rewards are most

effective however there is research that clearly shows that when behaviours are linked clearly to rewards and employees perceive their work is valued and matters are 4 times more likely to be engaged, fulfilled and committed (Incentive and Motivation, 2023b).

2.1 The business context of the reward environment.

Whilst still reeling from the impacts of Covid 19, political unrest, high inflation and a rapid increase in the cost of living are now also having a significant impact on the 'benefits landscape'. Reward packages need to be agile enough to respond to changes .

A CIPD survey (Cotton, 2022e) on employees attitudes to pay revealed that employees in the private sector have a preference for rewards that reflect performance (e'g' PRP, Share schemes). In addition data collected in a study by Ciphre (2023) suggests that pay and benefits (60%) marginally supersedes the value of work life balance (58%). Interestingly, pay and benefits equality was only rated important by manufacturing workers (63%). Undesired behaviours and increased risks however can be a result of high value bonuses therefore rewards must clearly relate to the desired behaviours (Cotton, 2023b).

Increasing wages despite financial pressures reflects a need for the organisation to be competitive in the market place. Best, not common, market practice (McMullen & Scott, 2020) should inform but not drive wages. Approximately one third of employees are employed by large businesses (CIPD/HPC, 2020) who have significant impact across their sectors and supply chains on determining pay and conditions.

The CIPD (2023a) reports that within the last 6 months employers main responses to recruitment shortages was to upskill more existing staff (49%) and increase wages (44%) both of which come at a cost but are also known motivators. 35% however chose to increase the duties of existing staff which is cost effective but could be counterproductive if employees perceive the extra duties to be inequitable.

Intended spending is dependent upon the the organisations financial situation however reward should be viewed not as a cost but as an investment (Hajduk, 2017). The Guardian (2023) reported recently that 'Headline inflation' eased in September and pay growth is now slowing which will be welcome news for employers however, In July, total earnings (including bonuses) were 8.5% higher than the same period the previous year (ONS, 2023). Cost-neutral benefits and benefits which result in improved efficiency and productivity can mitigate costs (Fordham, 2016). Extra costs can also be absorbed through reduced profits , raised prices or reducing the 'financial' aspects of the reward package e.g paid breaks, premium pay rates (CIPD, 2023a)

2.2 Using benchmarking data to develop insight.

Today's business environment presents significant pressure to meet legal and ESG responsibilities whilst simultaneously navigating an increasingly volatile and complex (McMullen, 2020) market place. As a result, the metrics used to assess company and employee performance should be extended to include 'non financial' workforce,

environmental and social impact metrics (Hildyard, et al 2021) However, whilst financial performance metrics are deemed essential there has been significantly less use and therefore understanding of measuring performance in terms of people management CIPD/HPC (2020)

Benchmarking can provide invaluable insight for rewards program decision making (McMullen & Scott, 2020). Thorough, systematic methods of collecting and evaluating specific, appropriate internal and external benchmarking data is essential for developing, implementing and reviewing effectiveness of the organisation's rewards strategies. Regular reviews of internal and external job evaluation, market pricing and best practice can help gather 'equivalent job' data and ensure pay is competitive and fair (CIPD, 2023b). Best practice information is derived from 'common practice' used by organisations that have been identified as 'best' across financial, operational and reputational criteria (McMullen & Scott, 2020). Salary surveys for example, use a job evaluation process to assess and match a roles responsibility, content and skills to its relevant function and job level (Kaleem, 2021). CIPD (2023b) identified 4 primary sources of pay data for benchmarking purposes; Published data, Pay clubs, Special surveys and Consultants' pay databases. In addition UK National Statistics has a plethora of earnings trends and pay rate official data which provides detailed breakdowns of various factors e.g region, sector, occupation (CIPD, 2023b)

Using EBP principles can ensure that decisions are made that are not guided by emotions (CMI, 2020) thereby avoiding costly mistakes. In addition, utilising relevant academic and scientific studies to help develop robust workforce metrics that are connected to rewards (Hildyard, et al 2021)

2.3 Using insight to develop reward packages and approaches

Insights into the effectiveness of any reward strategy can be gained by assessing how it affects recruitment, attrition, engagement and performance (Park & Sturman, 2012). There is extensive research showing that better financial results are attained when an organisation has a clear defined reward strategy (3R Strategy, 2019)

Internal metrics (e.g. payroll data, surveys, appraisals) can be used to help identify the priorities and needs of the various demographic segments within the organisation (Thompson, 2021). Systems that facilitate collection of data rich KPI's are optimised with regular performance reviews and continual feedback (Cascade, 2022)

When developing a pay strategy and undertaking job evaluation for example, using external benchmarking data (e.g. market pricing, salary surveys, national survey data, ONS and government statistics) alongside internal data helps establish a 'job's worth' and can provide clear parameters of salary range and performance expectations (Bullivant et al, 2023) whilst ensuring rewards are not only externally competitive but also internally equitable (CIPD, 2023b) and compliant with equal pay and value law (ACAS, 2014). However, diligence must always be exercised for example recruitment surveys are a useful tool however their reliance on specific job titles does not accommodate for variations within the roles (Kaleem, 2021). Effective communication and involvement with employees and representatives will ensure that JE is '*felt fair*' (ACAS, 2014).

Using EBP principles, harmonising external and internal qualitative and quantitative data (Gifford & Young, 2021) whilst determining and utilising valid and reliable academic and scientific research to enhance both the design of compensation systems (Park & Sturman, 2012) and the quality of robustly developed workforce metrics (Barends, et al 2022) will result in the development of high impact reward strategies which meets stakeholder needs and improve confidence in results (Hildyard, et al 2021).

Task 2

Introduction

This report provides an understanding of the role that people professionals undertake in supporting line managers in reward decision making and the legislative requirements of reward practice.

2.4 The legislative requirements that impact reward practice.

There are numerous legal, statutory and regulatory requirements UK employers must adhere to in relation to pay and reward policies and practices which incorporate both cash and non-cash bonus payments. Gov.UK (2023) Deductions, payments and reporting requirements are dependent on the type of reward (Gov.UK, 2023). Particular sectors must also adhere to specific, industry related, guidelines and restrictions (Clark & McGrath, 2023).

Legislation introduced to ensure fair, equitable treatment and reasonable compensation in reward practices (CIPD, 2023c) includes: the Companies (Miscellaneous Reporting) Regulations 2018 and the Working Time Regulations 1998. The NMW 1998 was introduced to ensure employees are paid fairly. The cost has especially impacted sectors who employ high levels of low paid workers (CIPD, 2023a) however the benefits of employee financial well being are evident and the CIPD/HPC (2020) report that in 2020 41 of the FTSE 100 pay employees the NLW compared to just 2 in 2013. A cost analysis of pay (e.g. Tax, NI, pension contributions) and earnings related benefits and salary sacrifice arrangements will ensure basic pay does not fall below NMW rate (Fordham, 2016) and removes the risk of paying arrears, fine's or even criminal charges (ACAS, 2023).

The Equality Act 2010 ensures men and women receive equal treatment in contractual pay and conditions (Cole, 2021). When undertaking pay reviews, JE, allocating bonuses, preparing competency frameworks etc the organisation must comply with its statutory duty to ensure employees are treated fairly and equally (CIPD, 2023c) without discrimination against any particular group of employees who are performing the same, broadly similar, equivalent or work of equal value (ACAS, 2014). UK employers with over 250 employees must also report the size of their gender pay gap every year (Cotton, 2023c). Publishing pay data adds value to the organisation by being transparent and demonstrating the organisations commitment to equality and fair treatment however this can damage morale if employees perceive inequity or feel 'under performers' are paid the same (CIPD, 2023c)

3.1 Approaches to performance management.

Performance management can be an effective way to engage employees and stimulate commitment and performance (Thompson, 2002). It is largely recognised that effective PM improves productivity and can maximise ROI (Cascade, 2022) however Gifford & Young (2021) state the most effective ways of achieving this have been 'hotly debated since the early 1990s'. Lupton et al, (2015) contends there is a proven demonstrable link between PM and reward practices which improve employee performance and result in high levels of job

satisfaction. PM that effectively communicates how individuals contribute and are evaluated and is aligned with total reward principles is far removed from 'Taylorism' and the idea that motivation is derived from pay and threats (Cassidy et al, 2021).

Performance reviews continue to remain an important element of PM despite, as Gifford (2022) asserts, challenges to their value in recent years due to traditionally being used annually which resulted in disengaged, disconnected employees (Cascade, 2022). Regular reviews, involving employees in goal setting and facilitating 360 degree feedback provides employees with a fairer, unbiased and objective view of their performance (Cotton, Gifford & Young, 2022). In addition, recognition should be limitless and not tied to appraisal only but built into the culture to reflect its value within the organisation.

PM strategies that proactively encompass employee development needs, growth, capability and continuous learning can result in overall performance improvements (Cascade, 2022). Empowering personal growth, training and skills development not only enhances the employees potential and career progression opportunities (Thompson, 2021) but also ensures that the organisation has the skills required in a tight labour market. Furthermore, the ability to adapt to changing business goals requires employees who are both capable and agile and learning and development is central to this (Freifeld, 2016). In addition, Cassidy et al, (2021) identifies that learning in itself is a motivating factor.

Achieving an enhanced organisational performance culture through effective PM requires management and systems (Cascade, 2022) developed to communicate, incentivise, recognise, encourage and reward the identified values and behaviours required to achieve organisational effectiveness and long term success (Barends et al, 2022b).

3.2 Supporting line managers to make consistent and appropriate reward judgements

The role of line managers is key therefore it's essential to help managers to think about rewards productively and not just see pay as the panacea to an employees lack of autonomy, enjoyment or perceived value of contribution (Thompson, 2002)

Total reward requires LM's commitment and support for it to succeed (Cotton, 2023d). Effective communication is a prerequisite for improving perceptions of reward fairness and LM's are essential channels in driving this core message (Miller, 2011). Thompson (2002) identified that it can be difficult to implement total reward strategies due to the requirement for managers to work with '*the thinking that goes with this more comprehensive approach*'. By ensuring that processes for e.g performance assessment, recruitment, work measurement, and job design are effective, ethical and equitable will support LM's understanding of how to make consistent and appropriate reward judgments and also enhance the perception of fairness considerably (Miller, 2011). The CIPD (2023a) advocates regular reviews of reward decision making processes and outcomes e.g. assessing pay rates, to ensure they remain competitive, fair, lawful and are applied consistently.

Effective compensation policies provide guidance to clarify the link between pay and performance however LM's should be given some autonomy and discretion in allocating

rewards on individual circumstances (Park & Sturman, 2012). This coupled with training and guidance can facilitate effective, collaborative goal setting between the LM's and employees (Cotton, Gifford & Young, 2022)

Investing the time to give LM's the tools and confidence to effectively communicate and manage rewards (McMullen & Scott, 2020) and the ability to openly explain the rationale behind reward allocation to employees can prevent envy and resentment (Cotton, Gifford & Young, 2022). By enhancing LM's understanding of reward policies and how to implement and evaluate them fairly enables them to take ownership of conversations and communicate openly, honestly and effectively to subordinates (Thompson, 2021) whilst simultaneously helping the LM to not make generalisations and recognise employees are complex individuals with varying needs (Cassidy et al, 2021).

3.3 How line managers make reward judgements based on organisational approaches to reward.

It is ineffective to spend resources compiling intricate reward strategies if they are not implemented and executed effectively. Line managers have a significant role in employee engagement and therefore need to have a clear understanding of how reward systems work so they can be supported in making effective rewards decisions (Taylor & Woodhams, 2022) that represent the organisations values

Gifford & Wietrak (2022) identify that when LM's have a clear understanding of required performance across individual, team and organisational level and accurate performance data they can make more relevant and appropriate judgement rewards. Policy and guidance on the clear link between pay and expected performance can be enhanced with training to empower LM to use 'discretion' when allocating rewards (Park & Sturman, 2012). LM's can make rewards and judgments based on evidence and within the parameters of the established frameworks whilst being empowered to be flexible (Taylor & Woodhams, 2022). To achieve this LM's must be given an understanding of how employees perceive 'procedural fairness' when they use discretion in reward judgments as Barends et al, (2022b) identifies that a recent study shows that it can moderate the value of the incentive.

Effectively communicating and Implementing reward strategies that have been aligned with organisational objectives which clearly define performance and reward expectations serves as a comprehensive 'blueprint' for managers to follow (McMullen & Scott, 2020). LM's can motivate employees through goal setting using clearly defined objectives (Gifford & Wietrak, 2022) that are concisely and consistently linked to organisational values. Barends et al, (2022b) asserts that trust and fairness can be eroded if subjective measures carry 'too much weight' therefore LM's can ensure personal bias is removed by facilitating and encouraging 360 degree feedback throughout the appraisal process. If the LM's are able to define clearly how rewards are allocated and related directly to desired behaviours and performance they can ensure employees perceive incentives and recognition as fair (Cotton, Gifford & Young, 2022)

Bibliography

Abdulmalek, M. (2023) *Evaluate the principle of total rewards and its importance to reward strategy*. Available at:

<https://www.linkedin.com/pulse/evaluate-principle-total-rewards-its-importance-marwan>
(Accessed: 23/10/23)

ACAS (2014) *Job Evaluation: Considerations and Risks Advice Booklet*. Available at:

<https://www.acas.org.uk/job-evaluation-considerations-and-risks-advice-booklet>
(Accessed: 27/09/2023)

ACAS (2023) National Minimum Wage - If an employer pays less. ACAS. Available at:

<https://www.acas.org.uk/national-minimum-wage-entitlement/if-an-employer-does-not-pay-minimum-wage> (Accessed: 19/11/2023)

Barends, E., Wietrak, E., Cioca, I. and Rousseau, D. (2022) *Employee recognition and non-financial rewards: an evidence review. Scientific summary*. London: Chartered Institute of Personnel and Development. Available at:

https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/evidence-reviews/non-financial-recognition-scientific-summary_tcm18-105469.pdf (Accessed 07/10/2023)

Barends, E., Wietrak, E., Cioca, I. and Rousseau, D. (2022b) *Financial incentives: an evidence review. Scientific summary*. London: Chartered Institute of Personnel and Development. Available at:

https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/evidence-reviews/financial-incentives-scientific-summary_tcm18-105468.pdf. (Accessed: 07/10/2023)

(Bullivant, G., Cassidy, N., Cotton, C and Jackson, K (2023) *Is pay transparency good for business?* Episode 194 [Podcast]. 05.04.2023. Available at:

<https://www.cipd.org/uk/knowledge/podcasts/pay-transparency/> (Accessed 06.10.2023)

Cascade (2022) *Performance Management Strategies: How They Impact Performance Culture*. Available at:

<https://www.cascade.app/blog/performance-management-organizational-culture> (Accessed: 01/10/2023)

Cassidy N., Timms, P., Shambrook, C & Hopper, S. (2021) *Motivation: sustaining the energy in your workforce. Episode 177* [Podcast] 02.11.2021. Available at:

<https://www.cipd.org/uk/knowledge/podcasts/sustaining-the-energy-in-your-workforce>
(Accessed: 06.10.2023)

CIPD (2023b) *Job Evaluation and Market Pricing*. Available at:

<https://www.cipd.org/uk/knowledge/factsheets/market-pricing-factsheet/> (Accessed 22/10/23)

CIPD (2023a) *Labour Market Outlook - Views From Employers Summer 2023*. CIPD.

Available at:

<https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/2023-pdfs/2023-labour-market-outlook-summer-2023-8449.pdf>. (Accessed: 07/10/2023)

CIPD (2023c) *Legislative Requirements that Impact Reward Practice*. CIPD Forum. Available at:
<https://cipdforum.co.uk/explain-the-legislative-requirements-that-impact-reward-practice/>
(Accessed: 29/09/2023)

CIPD/High Pay Centre. (2020) *CEO pay and the workforce: how employee matters impact performance-related pay in the FTSE 100*. London: Chartered Institute of Personnel and Development. Available at:
https://www.cipd.org/globalassets/media/zzz-misc---to-check/ceo-pay-workforce-report_tcm18-87761.pdf (Accessed: 07/10/2023)

Ciphr (2023) *Revealed: The most important aspects of a job*. Available at:
<https://www.ciphr.com/the-most-important-aspects-of-a-job> (Accessed: 07/10/2023)

Clark, K., and McGrath, P (2023) *Employment and employee benefits in the UK: overview*. UK Practical Law. Available at:
[https://uk.practicallaw.thomsonreuters.com/7-503-4973?contextData=\(sc.Default\)&transitionType=Default&firstPage=true](https://uk.practicallaw.thomsonreuters.com/7-503-4973?contextData=(sc.Default)&transitionType=Default&firstPage=true) (Accessed: 23/10/23)

CMI (2020). *DEVELOPING DECISION MAKING SKILLS Checklist 277*. Available at:
<https://www.managers.org.uk/knowledge-and-insights/resource/decision-making/> (Accessed 18/10/22)

Cole, A. (2021) *How Equal Pay is Integral to your Responsible Reward Strategy*. Available at:
<https://www.innecto.com/resources/insights/how-equal-pay-is-integral-to-your-responsible-reward-strategy> (Accessed: 23/10/2023)

Cotton, C. (2023b) *Bonuses and Incentives - CIPD Factsheet*. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/bonuses-factsheet/> (Accessed: 27/09/2023)

Cotton, C (2023a) *Employee Benefits: an introduction - Learn how to implement various employee benefits as part of a wider reward strategy*. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/benefits-factsheet/> (Accessed: 27/09/2023)

Cotton, C (2022e) *Performance Related Pay*. CIPD Factsheet. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/pay-performance-factsheet/> (Accessed: 22/10/2023)

Cotton, C (2023c) *Reward: an introduction*. CIPD Factsheet. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/reward-factsheet/> (Accessed 27/09/2023)

Cotton, C (2023d) *Strategic reward and total reward*. CIPD Factsheet. Available at:
<https://www.cipd.org/uk/knowledge/factsheets/strategic-total-factsheet/>
(Accessed 07/10/2023)

Cotton, C., Marriott, L and Perkins, J. (2022) *Reward Management Survey - Focus on Employee Benefits: Survey Report*. Available at: https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/reward-management-survey-2022_tcm18-108776.pdf (Accessed: 07/10/2023) Cotton, C., Marriott, L and Perkins, J.

Fordham, L. (2016) *How will the national living wage impact reward strategies*. Employee Benefits. Available at: <https://employeebenefits.co.uk/issues/march-2016/how-will-the-national-living-wage-impact-reward-strategies/> (Accessed: 27/10/2023)

Freifeld, L (2016) *Competency Management: Challenges and Benefits*. Available at: <https://trainingmag.com/competency-management-challenges-and-benefits/> (Accessed 09/11/23)

Gifford, J (2022) Performance Reviews. *CIPD*. Available at: <https://www.cipd.org/uk/knowledge/factsheets/appraisals-factsheet/> (Accessed 22/11/2023)

Gifford, J. and Wietrak, E. (2022) *People performance: an evidence review. Practice summary and recommendations*. London: Chartered Institute of Personnel and Development. Available at: https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/evidence-reviews/people-performance-practice-summary_tcm18-109854.pdf (Accessed: 22/11/2023)

Gifford, J. and Young, J. (2021). *Employee engagement: definitions, measures and outcomes. Discussion report*. London: Chartered Institute of Personnel and Development. Available at: <https://www.cipd.org/uk/knowledge/evidence-reviews/evidence-engagement/> (Accessed: 13/10/2022)

Gov.UK (2023) *Expenses and benefits: bonuses - overview*. Available at: <https://www.gov.uk/expenses-and-benefits-bonuses/print> (Accessed: 27/10/2023)

Hajduk, P. (2017) What's the real value of reward? *People Management Online*. Available at: <https://www.peoplemanagement.co.uk/article/1743866/real-value-reward> (Accessed: 23/11/2023)

Hildyard, L., Kay, R and Brown, S. (2021) *Role of the RemCo: How to achieve good governance of pay, People and culture report*. Available at: https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/role-of-remco-2021-1_tcm18-99041.pdf (Accessed 15/10/2023)

Howlett, E. (2019) *Why the most effective employee benefits don't have to cost you anything*. People Management. Available at: <https://www.peoplemanagement.co.uk/article/1746408/most-effective-employee-benefits-dont-cost-anything> (Accessed 07/10/2023)

Incentive and Motivation (2023b) *The future of employee rewards for 2022*. Available at:

<https://incentiveandmotivation.com/the-future-of-employee-rewards-for-2022/> (Accessed: 07/10/2023)

Jansen, T (2022) The Importance Of Aligning Rewards To Performance Achievements In The New Normal. *Forbes*. Available at: <https://www.forbes.com/sites/forbeshumanresourcescouncil/2022/11/29/the-importance-of-aligning-rewards-to-performance-achievements-in-the-new-normal/> (Accessed: 16/11/2023)

Kaleem, R. (2021) *Reward Strategy and Principles - Salary Benchmarking*. Available at: <https://3r-strategy.com/medians-quartiles-deciles-salary-survey/> (Accessed 23/10/2023)

Lupton, B., Rowe, A and Whittle, R. (2015) *Show me the money! - The behavioural science of reward*. CIPD. Available at: <https://www.cipd.org/uk/knowledge/evidence-reviews/reward-decisions/> (Accessed 27/09/2023).

Lockwood, J. (2022) What are Employee Benefits?. *HRZone*. Available at: <https://www.hrzone.com/hr-glossary/what-are-employee-benefits> (Accessed: 17/11/2023)

McMullen, T. and Scott, D. *Findings from Two Decades of Total Rewards Research: What WorldatWork Members Have Taught Us*. WorldatWork Journal, 29, 3: 8-14, 2020. Retrieved from Loyola eCommons, School of Business: Faculty Publications and Other Works, Available from: https://ecommons.luc.edu/cgi/viewcontent.cgi?article=1209&context=business_facpubs(Accessed: 07/10/2023)

Miller, S (2011) *Reward Practices Impact Perceptions of Fairness*. SHRM. Available at: <https://www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/RewardFairness.aspx> (Accessed: 23/10/23)

Nickerson, C (2023). Extrinsic Vs. Intrinsic Motivation: What's The Difference? Simply Psychology. Available at: <https://www.simplypsychology.org/differences-between-extrinsic-and-intrinsic-motivation.html> (Accessed: 17/11/2023)

ONS (2023) *Low and High Pay in the UK: 2022 - The distribution of hourly earnings of high-paid and low-paid jobs and jobs paid below the National Minimum Wage*. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/lowandhighpayuk/2022>. (Accessed 07/10/2023)

Park, S. and Sturman, M. C. (2012). *How and what you pay matters: The relative effectiveness of merit pay, bonuses, and long-term incentives on future job performance*. *Compensation and Benefits Review*, 44(2), 80-85. doi: 10.1177/0886368712450391.

PeoplePointHR (2023) *Pay and Reward Advice: Management of Pay and Benefits Strategies*. Available at: <https://peoplepointhr.co.uk/hr-solutions/pay-reward-management/> (Accessed: 23/10/2023)

Lindsey Smith. The Reward for Performance and Contribution. Task 1 - 2775 words. Task 2 - 1380 words. 27th November 2023.

Taylor, S and Woodhams, C. (2022) *Human Resource Management people and Organisations*. 3rd Edition. First published in Great Britain by CIPD in 2012. Third edition published in Great Britain and the United States by Koogan Page Limited in 2022. ISBN 978 1 3986 0695

The Guardian (2023) 16/10/2023 UK inflation expected to fall to 6.5% in September. *The Guardian online*. Available at:
<https://www.theguardian.com/business/2023/oct/16/uk-inflation-expected-to-fall-to-65-in-september> (Accessed 18/11/2023)

Thompson, J. (2021) *All Talk, No Walk: Why Reward & Recognition Must Go Hand in Hand*. 3R Strategy. March 30th, 2021. Available at:
<https://3r-strategy.com/reward-and-recognition-go-hand-in-hand/> (Accessed: 23/10/2023)

Thompson, P. (2002) *Total Reward*. Chartered Institute of Personnel and Development, London. ISBN 0 85292 975 7. Available at:
<https://cipd.soutron.net/Portal/Default/en-GB/DownloadImageFile.ashx?objectId=988&ownerType=0&ownerId=6356> (Accessed: 22/10/2023)

3R Strategy (2019) *What Is a Reward Strategy?* 3R Strategy. June 24th, 2019. Available at:
<https://3r-strategy.com/what-is-a-reward-strategy/> (Accessed: 23/10/23)