

Show me the money

How important are compensation and benefits when it comes to employee satisfaction? 6 CFOs answer that question

Rod Ancrum, CFO and senior vice-president of finance and HR, Credential Financial

The Vancouver-based wealth management services firm has 250 employees

A continued focus on employee engagement has helped Credential Financial's engagement scores rise 10 per cent in the past year, according to Rod Ancrum, CFO and senior vice-president of finance and HR.

"At the executive level, we are fully committed to driving engagement simply because our people are our biggest asset, our people will drive our ultimate success. That realization really brings home the point that we need to make this a really great place to work and that will, ultimately, lead to our success."

A national wealth management services firm for credit unions, Credential is based in Vancouver, with offices in Toronto and Montreal. It has about 225 credit union partners, 1,300 financial advisors and 250 employees.

And engagement is a direct driver of its financial performance, says Ancrum, who is based in Vancouver.

"Our business is providing value-added services to our credit union partners and other clients, and when we look at our employees and see engagement, when we see that they are engaged and connected to the company and see that they are enjoying what they do, we directly see the positive benefits of that."

In addition to a formal annual survey of employee engagement, Credential monitors employee engagement through town hall meetings, executive breakfasts, small group meetings and peer-to-peer discussions, says Ancrum. This gives the company an idea about areas of strength or weakness to focus on.

And compensation is not the primary driv-

er of engagement, he says.

"For many people, the more money you make, the happier you are about that, for sure, that is important, but it doesn't mean that you're going to be happier overall with where you work and the work that you do," says Ancrum.

"We're trying to build a company where people that work here are happy with the work they do and they're connected not only to their colleagues and our customers, but they also feel valued for what they bring to the table.

"And when we have success in driving these things home and people feeling engaged because they feel connected to where they work and their contribution to the company overall, pay becomes less of a factor."

When setting compensation levels, the overall market, the type of role and an individual's performance are the important drivers, he says.

"If we address those items properly upfront and continue to focus on making this a great place to work and driving engagement, then the satisfaction or engagement really becomes an output rather than an input to compensation."

In terms of benefits, Credential offers standard ones such as health and dental, along with a bonus plan for staff, a company-matched fund for group RSPs, support for education and training, recognition for various milestones and paid time off to volunteer.

"In terms of engagement, what's important here is that employees value different things at different stages of their life and we strive to build our benefits packages around that, so that there is some flexibility for staff

to be able to choose the benefits that meet their current situation," says Ancrum.

But it's also important for employees to understand what those benefits mean, beyond the usual bunch of pamphlets that are given out, he says. So, a few years ago, Credential started giving each employee an annual compensation statement that details every component of their compensation package, including benefits.

"We have found since we've done that, people's appreciation of their overall compensation package has increased substantially because now they understand it and why it is of value to them," says Ancrum.

In looking at compensation and benefits, finance and HR don't generally work together because they look at the world differently. But since Ancrum joined Credential five years ago, the two groups have come together, and that's helped drive a lot of success at the organization, he says.

"We've been able to create a really good balance between driving employee engagement and fulfilling the needs of our employees, with the flipside being the need to drive financial performance."

And HR is learning about what measurements are needed, whether for recruitment or benefits and compensation, says Ancrum.

"Working together has really helped to drive that. Our HR team has taken on a bit of an analytical role and when they look at benefits, they assess the costs of the benefits to both employees and the company. And that has worked really well and they're starting to take initiative because they see the fuller picture of what the employee needs are versus what the company is striving towards."