

Overview:

Employee incentive program is an internal investment, rewarding employees for reaching work goals, achieving milestones or simply doing a good job. This program is designed to offer incentive and rewards to valued employees. Employee incentive program have proven very successful in arousing motivation in employees and increasing the overall performance of the company. An incentive program is a great way to show employees that SMSA values their input while at the same time increasing the businesses potential.

Why employee incentive program?**1. Reduce costs:**

Overall the retail costs can be reduced as a result of this incentive program. This cost can be measured in terms of:

- a. Reduce lateness and absenteeism
- b. Reduce manpower per retail.
- c. Reduce recruitment and training costs.
- d. Reduce turnover of staff.

2. Increase revenue:

Incentive program will show a significant return on the company investment via increased ratios of conversations (walk in customers against shipment) at any retail.

3. Employee reward:

An employee incentive program is mutually beneficial. The employee feels valued and motivated and is therefore, more consistent effort to sell SMSA products and services, increases productive and commitment. The company harvests the benefits of a motivated, focused and loyal employee. The results of incentive program have consistent results. The company bottom line increases as the employee productivity increases and or improves.

4. Customer Service:

An employee will ensure all customers walk-in are highly served, that is results:

- a. Maintain customer loyalty.
- b. Reduce customer complaints.
- c. Increase revenue.

Keep-up the retail standards.

5. Points considered in this incentive program:

- a. Based on the industry best practices.
- b. Reward and recognize
- c. Create sustainable employee engagement.
- d. Align with company objectives.

6. Incentive component:

This incentive program is purely based on the productivity where it measure the effectiveness of productive effort, as measured in terms of number of transactions made by certain employee.

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7. Productivity measurements:

Number of transactions will be generated from CORE and Account monthly where the report show:

- Employee number
- Number of out-bound shipments

8. Responsibilities:

- Retail Supervisor to monitor and publish daily/weekly performance reports for all Retail Executive under this incentive program. Displays monthly results on the Notice board. Prepares the monthly claim forms for the retail executives as per the performance. Ensures all necessary approvals are gained and final document forwarded to HRD for Payroll on a timely manner
- Sales Manager: Checks review and approve the claim as per the guidelines of this incentive program.
- Finance Manager : Verify all data /revenue v/s claim and approves
- CGM : Final approval on the payout to couriers
- HR Department : To ensure inclusions of all Payouts in the monthly payroll of retail executives as per the approval received

9. Eligibility and incentive deductions:

SLN	Components	Incentive Deduction %
1	Failure in cash remittance on time	-100%
2	Lateness without permission	-2.5% (every time)
3	Early leave without permission	-2.5% (every time)
4	Absenteeism without valid reason	-10% (every time)
5	Failure in using attendance tool	-5% (every time)
6	Direct manager evaluation (Retail Routine Visit Check List)	-2.5% (every time)

10. The calculation:

The incentive will be calculated as follows:

Shipments	Range	Incentive (BHD)
Per Airway bill	1 to 60	0.50
Per Airway bill incremental	61 to 100	0.75
Per Airway bill incremental	101 +	1.00

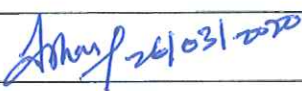
Example of Calculation for a claim of 70 Air waybills Sold @ counter

	Incentive (BHD)
60 * 0.500 =	30.00
10 * 0.750 =	7.50
Total	37.50

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21/03
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11. Incentives program rules:

- Employee covered under this incentive program are the retail executive.
- The incentive will be calculated on monthly basis based on individual productivity.
- The source of the information for the incentive will be CORE reports and Accounts monthly report.
- Leaves and vacations are excluded.
- The incentive is only applicable for pay out if the retail executive claim is over **20 BHD / Month.**

Approval		
Name	Position	Signature
Shaji George	General Manager	 21/03/2020
Mohannad Khayyat	Director - IBU	
Mohammed Burhan Khan	Director – Finance	 26/03/2020
Engr. Majed Ibn Musa Al Esmail	Managing Director	