BAH Monthly Courier Incentive Policy

Operations Department

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A. INCENTIVE UNDERSTANDING & ELIGIBILITY

A Monthly Incentive Program is created to support the Couriers who are hired in SMSA for more than 3 consecutive months regardless if they are insource/outsource couriers in any designed route as per the station.

The courier is paid incentive if he:

1. Meets all the performance criteria (if not, each not met criteria will decrease the incentive as per its weight).

2. Achieved 80% Courier performance.

3. Achieved 100% pick-ups ratio (Didn't miss any Pick-ups in the same month).

The courier performance is measured based on the van scans & successful deliveries stops count extracted from CORE. Also, below are the performance criteria that have to be met;

Quality	Deduction	Service	Deduction	General	Deduction
Unavailability of Crates & Trolley in the courier vehicle	4%	Refusing to Deliver Or Pickup shipments	6%	Bad Tracker Condition	4%
Non-adherence with work instructions	6%	Non-remittance of Cash within 24hrs	6%	Failure to follow Scans Compliances (LBT/ Van, POD/DEX OR PUP/PUX)	4%
Improper filling of Proof of Delivery & Pick Up Manifests	4%	Non-availability of enough Operational Supplies in the vehicle to fulfill customers' requests	6%	Gross ignorance in shipment handling in the route or in the vehicle	6%
Refusing to cooperate for business needs	6%	Customers Complaints	6%	Non- Complying with the Route Changes	4%
Losing Shipments	6%	Arrived late at customer location for Pickup	6%	Improper filling of Gate Pass & Non-obtaining Required Signatures	4%
Damaging Shipments	6%	Wrong Deliveries	6%	Misbehaving Inside & outside the company	6%
		Failure to Maintain Vehicle Tidiness and regular cleaning	4%		

If any of the above criteria is affected, it will decrease the incentive as per the deduction percentage mentioned above weight.

Hence, it is advised that the couriers be aware of all those measures and their effects on the incentive. The performance criteria for each courier will be recorded in the Monthly Courier Measurement Report (MCMR) available with the supervisor.

Incentive is also eligible for couriers delivering 80% of the routes' monthly van scan count, meaning that the courier should deliver at least 80% of the total shipments in his route in each month. This can be calculated by dividing the total successful deliveries by the total Van scans for each courier in the end of the month.

Courier Performance= **(Total Successful POD Scans/Total Van scans) x 100%**

If Courier performance is equal or greater than 80%, he will be eligible for the incentive.

B. INCENTIVE CALCULATION

The incentive calculation is based on the below data:

1. Courier Performance: **Total POD/ Total Van**
2. Total Delivery Scans & PUP Stops= **Total POD Scans + Total PUP Stops**
3. **MCMR% Score**
4. **Monthly Courier Allowance: BHD 25.000 x MCMR%**

Incentive= ([Total POD scans+ PUP stops] x BHD 0.035) + (BHD 25 x MCMR%)

All couriers eligible for the incentive will be paid as follows;
If 80.00 %≤ Courier performance ≤ 84.99 %:
Incentive= ([Total POD scans+ PUP stops] x BHD 0.035) + (BHD 25 x MCMR%)
If 85.00 %≤ Courier performance ≤ 89.99 %:
Incentive= ([Total POD scans+ PUP stops] x BHD 0.055) + (BHD 25 x MCMR%)
If 90.00 %≤ Courier performance ≤ 94.99 %:
Incentive= ([Total POD scans+ PUP stops] x BHD 0.075) + (BHD 25 x MCMR%)
If 95.00 %≤ Courier performance ≤ 100.00 %:
Incentive= ([Total POD scans+ PUP stops] x BHD 0.090) + (BHD 25 x MCMR%)

❖ **CALCULATION EXAMPLE:**

Courier Jalal Sadiq is a courier who achieved the below figures, what is his incentive?

Total Van Scans = 599

Total POD Scans = 497

Total PUP Stops = 111

Courier performance= 497/599= **82.97%**   **Eligible for Incentive!**

Incentive= ([Total POD scans+ PUP stops] x BHD 0.035) + (BHD 25 x MCMR%)

Total POD + PUP stops= **497+111 = 608**

MCMR Score provided by Supervisor = **94%**

Incentive= [Total POD scans+ PUP stops] x [Incentive Rate]

Incentive= [608] x [0.035] = **BHD 21.280**

Courier Jalal was paid in a rate of **BHD 0.035** because his performance was between **80.00% - 84.99%**.

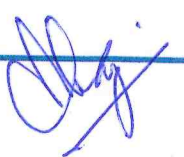Now, we will add the allowance of BHD 25 based on his MCMR%:

Allowance= 25 x 94%

Allowance = BHD 23.500

Total Incentive Payable: 21.280 + 23.500 = **BHD 44.780**

Hence, the incentive depends on the;

1. Courier performance (min. of 80% Successful POD Vs. Van)
2. POD scans
3. Pickup Stops
4. MCMR Score

C. INCENTIVE OBJECTIVES

The main objectives of this incentive program are:

- Reduce employee turnover
- Increase employee loyalty
- Increase employee efficiency
- Reduce employee absenteeism
- Meet Company goals
- Create a recognition culture
- Increase customer satisfaction
- Reduce customer complains
- Enhance Delivery level

D. GENERAL TERMS & CONDITIONS

1. The incentives will be calculated on monthly basis and will be paid in the following month's salary. E.g.: December incentives will be paid in January.
2. This policy will be reviewed by SMSA management and will be subject to change/modification/enhancement (if needed).
3. SMSA Couriers will be eligible for the incentive after completing **3 calendar months** from their respective joining date.
4. If the Miss Pickup feedback report justifies negligence, the courier will not be eligible for that month's incentive.
5. Employees received warning letters from the HR will **not qualify** for the incentive program for **3 calendar months.**
6. The monthly incentive has to be prepared and reviewed by the Operations management then submitted to finance and HR departments.
7. The monthly incentive has to be submitted to finance & HR before the 7th day of each month.