

Overview:

Courier 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 productivity and performance. 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:

- a. Overall the Operation and delivery per shipment cost can be reduced as a result of this incentive program. This cost can be measured in terms of:
- b. Increased delivery per courier
- c. Reduce lateness and absenteeism
- d. Reduce manpower
- e. Reduce recruitment and training costs.
- f. Reduce turnover of staff

2. Increase productivity:

Incentive program will show a significant increase in the productivity of couriers as well as help company to achieve delivery commitments at an reduced delivery cost.

3. Employee reward:

An employee incentive program is mutually beneficial. The employee feels valued and motivated and is therefore, more consistent effort to achieve more stops (pickup or delivery) by increases productive and taking initiatives to work harder. 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. Points considered in this incentive program:

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

5. 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 STOP's (Actual delivery or pick up) made by Courier.

6. Productivity measurements:

Number of Actual Pick up and Delivery reports will be generated from CORE where the report show:

- a. Employee number
- b. Number of deliveries and Pick up



7. Responsibilities:

- a. Operations Agent / Coordinator to monitor and publish daily/weekly performance reports for all couriers under this incentive program. Displays monthly results on the Operations Notice board. Prepares the monthly claim forms for couriers as per the performance
- b. Operations Supervisor: Checks review and approve the claim as per the guidelines of this incentive program. Ensures all approvals are gained and final document forwarded to HRD for Payroll on a timely manner
- c. Operations Manager / Finance Manager : Verify and approves the claim form
- d. CGM – Final approval on the payout to couriers
- e. HR Department : To ensure inclusions of all Payouts in the monthly payroll of courier as per the approval received

8. Eligibility and incentive deductions:

SLN	Components	Incentive Deduction %
1	Failure in cash remittance on time	-100%
2	Lateness without permission/ Absenteeism without reason	-2.5% (every time)
3	Failure in using attendance tool	-2.5% (every time)
4	Misbehaviors or Customer complain	-10% (every time)
5	Image Appearance	-2.5% (every time)
6	Daily Scan Compliance Defaulted	-2.5% (every time)

9. The calculation:

The incentive will be calculated as follows:

No	Target STOPS / Month	STOPS Between	Variance	Stops/ day	Monthly Incentives (BHD)
1	Upto 650 STOPS	0 - 650	650 stops	25	ZERO
2	Above 650 STOPS	651 - 850	200 stops	33	25.00
3	Above 850 STOPS	851 - 1100	250 stops	42	50.00
4	Above 1100 STOPS	1101 - 1400	300 stops	54	100.00
5	Above 1400 STOPS	1401 - 1775	375 stops	68	150.00
6	Above 1775 STOPS	1776 - 2275	500 stops	88	200.00

Incentives program rules:

- a. Employee covered under this incentive program are the Station Couriers
- b. The incentive will be calculated on monthly basis based on individual productivity.
- c. The source of the information for the incentive will be CORE reports.
- d. Leaves and vacations are excluded.




Approval		
Name	Position	Signature
Shaji George	General Manager	
Mohannad Khayyat	Director , IBU	
Mohammed Burhan Khan	Director – Finance	
Engr. Majed Ibn Musa Al Esmail	Managing Director	