

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:

Overall the delivery per shipment cost can be reduced as a result of this incentive program. This cost can be measured in terms of:

- a. Increased delivery per courier
- b. Reduce lateness and absenteeism
- c. Reduce manpower
- d. Reduce Overtime
- 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 a 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 deliveries 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 DELIVERIES made by Courier.

6. Productivity measurements:

Number of Deliveries (POD) reports will be generated from CORE where the report show:

Handwritten signatures and initials at the bottom left of the page.

- a. Employee number
- b. Number of POD's

7. Responsibilities:

- a. SDC Dispatcher 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)
7	Overtime applied Or Third Party Attendance more than 8 Hrs Paid	-100%

9. The calculation:

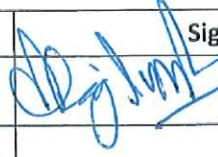
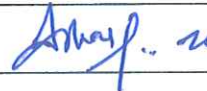
The incentive will be calculated as follows:

No	Target STOPS / Month	STOPS Between	Variance	Stops/ day	Monthly Incentives (BHD)
1	Upto 910 STOPS	1 - 910	910 stops	35	ZERO
2	Above 910 STOPS	911 - 1110	200 stops	43	25.00
3	Above 1110 STOPS	1111 – 1361	250 stops	52	50.00
4	Above 1361 STOPS	1361 – 1661	300 stops	64	100.00
5	Above 1661 STOPS	1661 – 2036	375 stops	78	150.00
6	Above 2036 STOPS	2036- 2486	450 stops	96	200.00

Handwritten signatures and initials:
21/1/23

Incentives program rules:

1. Employee covered under this incentive program are the SDC Couriers (SMSA & Third Party Couriers)
2. The incentive will be calculated on monthly basis based on individual productivity.
3. The source of the information for the incentive will be CORE reports.
4. Leaves and vacations are excluded.
5. For couriers participating in this incentive program no overtime will be paid

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