

Case Study: Fremantle Media Enterprises

A reward structure to integrate and motivate

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*- Dawn McComish
Head of HR*

FremantleMedia Enterprises is a division of FremantleMedia, one of the world's largest creators, producers, distributors and licensors of programme brands in over 40 territories worldwide. It is the company behind the UK's most successful police drama, *The Bill*, Australia's top serial drama, *Neighbours*, as well as entertainment and factual entertainment hits ranging from the award winning international format, *Idols*, broadcast as the prime time show, *American Idol* on FOX in US, the factual entertainment series *Jamie's Kitchen*, starring celebrity chef, *Jamie Oliver*, and the long-running gameshow *The Price is Right*. It employs more than 3,000 people globally.

Having seen huge growth and success over recent years, and with sales of programmes worldwide having more than doubled over the past three years, the decision was made to establish a commercial division of the company, to fully exploit the commercial potential of Fremantle's global success; and so FremantleMedia Enterprises (FME) was born.

The new division, FME, was established in 2006, and was formed by merging three of Fremantle's existing businesses into one. The business has employees in ten locations, spread throughout Europe, America, Asia and Australia, and is the commercial arm of the organisation, managing the global sale of programmes, plus the licensing and home entertainment opportunities.

Merging three businesses into one meant there was no clear reward structure covering all these companies; each had their own organisational structure and no comparative pay scales. With the company growing rapidly, and the sector becoming increasingly competitive, it soon became apparent that a clear reward structure was required.

"This is a highly competitive sector," explained Dawn McComish, Head of HR for FremantleMedia Enterprises, "In order to maximise the potential of this new business, and to retain and attract the best people in the industry, we needed to have a clear reward structure."

"We needed not only to ensure that we were offering competitive salaries, but also to provide employees with a clear career path across the whole of FME, and make everyone feel they were part of one business."

Realising that this would be a major project requiring in-depth knowledge and expertise in this area, FME decided to look outside for a consultancy to manage the exercise. "Introducing a new reward structure was going to impact everyone so we needed to get it right first time," explained McComish.

After talking to a number of reward specialists, FME decided to use Innecto Reward Consulting. "They really understood what we wanted to do," explained McComish. "They had experience of working with other media companies, so had a good understanding of the sector, and they offered a bespoke service – a package which would be designed specifically to suit our needs and our business."

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"Right from the start we were totally involved with the project. Innecto supported and guided us through it, but ensured we had ownership and understood the final outcomes."

To ensure employee involvement and commitment to the project, Innecto advised FME to establish a design team consisting of employees from across the business. Their first job was to make comparisons between every role, and to establish clear job factors. This was done with the employees themselves, who then worked with line managers on job descriptions and evaluations. "This ensured that everyone agreed with the new evaluations," explained McComish, "which was critical as this formed the foundations of the new grading structure."

Innecto worked with the FME HR team to carry out extensive industry benchmarking, and using this information and the work of the

team, Innecto's analysts created a framework of job families and salary bands.

"This enabled us to position every role at the right level within the organisation and establish appropriate salary bands," explained McComish. "In addition to this," she continued, "It has also enabled individuals to see where they fit within the organisation, and to chart a clear career progression plan."

"Ultimately this has given us one structure for the whole business," she continued, "and achieved full integration of the three previous businesses into one."

The new structure was launched in August last year, and FME used Innecto's communications experts to help launch the new package to employees.

"The communications element was key to ensuring employees

understood the logic behind the new structure, accepted the new grades and salaries, and identified the new opportunities this would bring them," explained McComish.

"Innecto helped us to ensure the key messages were cascaded down through the whole organisation, and everyone's questions were answered. We've had no backlash against the new structure; people understand the logic behind it and the need for it, and can see how it will benefit them in the long term."

"Innecto were very good at identifying our needs, and guiding us through the whole process," said McComish "Innecto's Director, Deborah Rees, was an excellent mentor, and her knowledge of reward was invaluable. She provided a lot of guidance through the process, facilitating us to come up with the final solution." "Although the benefits of this project won't be totally seen

until we undertake the performance review stage later this year," continued McComish, "It is already apparent that this new structure will help us to achieve our business goals. We now have one, integrated company, with an organisation and pay structure that incorporates everyone worldwide, and which will enable us to attract, develop and retain the best employees in the sector."

