

# Case Study: Aardman Animations

## Bespoke Reward Structure

Aardman Animations, the internationally renowned stop-frame animation company employs 300 people in Bristol. Having made its name with hits like Chicken Run, Wallace and Gromit, Creature Comforts and the recent box office success Curse of the Were-Rabbit, the company has grown significantly since it was set up by its two founders in 1976.

By 2003, Aardman was an established name on the international film scene with significantly different priorities from the small studio it had once been. Known for humour, creativity and innovation, the award winning Aardman was a strong employer brand but rapid organic growth meant it had become a major player on the international stage shackled with the pay structure of a more parochial organisation.

The inconsistent and inflexible salary band structure was proving a barrier to recruitment. Aardman was being perceived by employees and potential recruits as a low payer which was causing the company difficulties when it came to attracting the best animators.

Paula Newport, Head of Human Resources at Aardman Animations, set about reviewing Aardman's reward structure in order to improve the company's ability to attract and retain the

best employees in a highly competitive international market.

Lacking the resources or expertise in-house to do carry out a thorough review, Newport decide to hire specialists. Innecto, the pay and reward consultancy, was recommended to her by an external colleague for its expertise in reward management and media sector experience.

"We need to attract the best people both locally in Bristol and internationally, and employ staff on a wide range of contracts from permanent to freelance, part-time and one-off projects," explained Newport. "Our rigid salary structure was preventing us from doing this as it didn't allow us to match the salaries of the market place. We needed to develop something more sophisticated and adaptable.

"It was apparent that to do this ourselves would have taken far too long and so in order to get a high quality fast result, we brought in Innecto."

Innecto began by analysing the existing reward structure, carrying out 120 interviews with Aardman employees and line managers to establish the relative worth of jobs within the business. Once the job evaluation analysis was complete,

Aardman and Innecto worked together to create a matrix of basic jobs that could be used to create an ongoing mechanism for linking salary bands to the market.

Newport commented, "Brainstorms and management involvement were essential because they gave everyone a sense of ownership of the project. From the initial interview results, existing data analysis and market intelligence, they identified 20 benchmark jobs that would form the backbone of the new pay structure. Innecto then helped us create a banded salary structure that is flexible, affordable and workable."

The new reward structure was rolled out in November 2005. While it's still early days and the new system is being digested by staff, the general opinion at Aardman is that the new structure was needed for the company attract and retain the best talent in the media industry.

"Carrying out an in-depth reward review has been a fascinating process," continued Newport. "I feel we now have a much fairer, more robust system that is measured, benchmarked and has the potential to be linked to individual and company performance. The system incorporates an annual review mechanism so that each year, we can test salaries

against the market and amended as necessary."

"I was impressed with Innecto's work and believe it was entirely necessary to employ specialist help for this project. They not only handled all the analysis but also came up with creative solutions that we would not have thought of. Innecto watched, listened and analysed, and provided us with bespoke solutions. I would have no hesitation in using them again or recommending them."

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Head of HR