

# HRD

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next iteration

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cost in a new era



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## BENEFITS

# DIVIDE AND CONQUER

While marketing departments have been segmenting their communications for years, it's only now that HR is catching up. *HRD* looks at how the right messages to the right employees can reap significant dividends

**HOW OFTEN** has your HR team slaved over the words of some form of internal communication – perhaps announcing a new benefits or incentive program – only to have the subsequent take-up of that program be disappointingly low? It's something Tracy Mellor, managing director ANZ and group people director at Reward Gateway, has experienced time and time again in both her

never particularly interesting. That's not to say HR missives can't ever stand out from the mountains of communications most employees receive daily.

"What we've found works best is a blended approach," says Mellor. "A hub where we host all comms in one space that's easy to use. And mobile is key – everything has to be available and beautiful too, on



**"Don't bother sending group emails to large cohorts of people with something you really want them to read"**

Tracy Mellor

HR career and her consulting career.

"The question I'm most often asked is 'how do I get our people to read emails?' The answer is you don't!" she says. "Don't bother sending group emails to large cohorts of people with something you really want them to read."

She adds that the open rate for HR emails is unsurprisingly low. Why? Because they're

mobile – so you can catch them on the bus or at the bus stop or on the train, or just anytime when they're wanting to read something."

Once everything is in one spot, Mellor suggests HR needs to determine how else they can catch people. Is it Instagram? Twitter? Facebook? Sometimes it's even

good old email if you've got a one-liner that grabs attention.

## The right message for the right audience

Of course, knowing which platforms to use is one thing; getting the message to connect to the target audience is quite another. While marketing and PR/communications teams have fine-tuned sophisticated 'segmented' approaches to communications, HR has generally been slower to take this on board.

However, Mellor says one significant benefit of technology is the ability to segment communications. "It doesn't have to be 'one size fits all,'" she says. "Everyone should consider what they're communicating and how, when and why they do it."

She cites the example of McDonald's, which has embraced this concept. "[McDonald's Australia director of people and culture] Hayley Baxendale and her team do a great job of segmenting their communications, ensuring their Licensees, Head Office and the Crew get the appropriate messages. Why do they do it? Because they are three really different cohorts of people and it would be silly to burden everyone with information that's irrelevant."

McDonald's goes one step further to ensure that the needs of the different groups are met: it segments its benefits too. "It would be inappropriate to offer discounts on things like wine and beer to their Crew, but it is appropriate for their Licensees, so they use technology to ensure the right people see the right benefits. And they're 'lovin' it!" Mellor says.

It's not just about age; geography matters too.

"It's important to provide access to lots of different options, as what works in Mackay doesn't necessarily work in Wagga, and you don't want to create benefit envy –

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something else I did wrong at Rebel,” Mellor recalls. “Everything was very metro-centric, and those in regional areas felt left out. If discounted shopping is one of your benefits, then not everyone has access to the big stores. Access to online shopping is really important too – particularly as we’re trying to stretch everyone’s disposable income, wherever they are.”

Here is a three-step guide to segmenting HR communications.

### Step 1: Know your objectives

The critical first step in creating a segmented comms strategy is to know your objectives. For example, Sally Parke, head of people at Krispy Kreme, is very clear on this when

Mellor says it’s critical for HR to be aware of the different needs and wants of a workforce when it comes to benefits. This became apparent to her during her time as HR director at Rebel. The young workforce employed at Rebel had completely different needs to those who had been with the company since it opened in 1985.

“This was brought home to me when one of our team was awarded an ‘experience’ voucher for doing a great job. She called me to say thank you, but politely ask if she could swap it for something else. When I asked her why, she said, ‘I’d rather feed the family than spend 200 bucks on skydiving’ – I hadn’t thought of it before in that way,” says Mellor.

she’s communicating about the company’s health and safety training; it’s not so relevant for those people in head office – they have an Engagement Hub – and she segments it so that the store people see the ‘training tile’ (a technical term for a dynamic part of a website) on their website and the head office workers see something else.

Mellor says there are many reasons

why HR may decide that a one-size-fits-all approach does not work. For example, Reward Gateway has customers who have salaried staff and hourly paid or award employees. Other customers are currently renewing their Enterprise Agreements and have chosen to segment their communications by state. “As it’s so complicated anyway, why have everyone

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## ANALYSING YOUR MESSAGES

Debra Corey, group reward director at Reward Gateway, outlined the concept of segmenting employee communications in her book, *Effective HR Communication*. Here, she outlines how to review your existing employee data.

Collecting and analysing your data will help you develop your communication segments.

Marketers do this using two approaches: a priori and post hoc. – A **priori** segmentation approach is based on widely known data, so what we already know about our employees. For example, age, gender, work location, work patterns, salary, etc.

– A **post hoc** approach is a bit more difficult to collect as it requires input from your employees on their needs, interests, etc. Decide which will give you the most robust data to analyse so that segments can then be created.

An example is a retail company looking to launch a new benefits program. In reviewing their three employee groups (stores, head office and distribution centres) they found they had very different needs regarding age, income and preferences. By analysing this data they were able to segment their communications to specifically meet the needs of each of these three diverse audiences.

## REWARD GATEWAY

Reward Gateway provides employee engagement technology to the world's leading companies. Over 1,200 clients, including Optus, KPMG and McDonald's, use the company's products to attract, engage and retain the best employees. The company's products power employee communications and employee recognition.

reading through everything – or why send out lots of different emails when you can just segment your website by state and show people what's relevant to them?" she says.

### Step 2: Review your data

Mellor says employee involvement is critical to success. "We've just done some really interesting workshops with 12 people from each country around the Reward Gateway world. We tasked everyone to ask their friends and family what they liked in their companies so we got as much information as possible, and then we got busy with the groups and Post-it notes."

Employees were asked to rank what was important to them in Reward Gateway's

### Step 3: Create the messaging

When you launch something that's new or different you have to ensure that everyone knows what's happening. For Reward Gateway's recent benefits review the company created 'benefits champions' and ensured that they were totally au fait with everything that was changing and how to apply for all benefits. They also created managers' briefing notes and presentations and held manager briefing sessions. Finally, using their own online portal, they created a 'SmartHub® tile' on benefits to ensure that the right people got the right information. They also created videos, Q&As and an infographic – to ensure that everyone had at least one touchpoint with one form of communication.

**“What do you want to achieve and how can you connect with as many people as possible in a way that works for them?”**

Tracy Mellor

current offerings, and they were then asked what else they'd like to see. Suggestions were worked on to see what could be added within the budget.

The company put its benefits into five different categories: Fairness, Balance, Choice, Wow and Easy – and these principles were fed into everything within the benefits portfolio.

"This turned out to be an interesting exercise in more ways than one, because we actually then took away one of the benefits which was number one for some people," says Mellor. "When we applied our principles, we realised that it wasn't 'fair' to the majority of our workforce and only a small handful of people actually benefited from something which used up a disproportionate amount of our total benefits allocation – so we used the budget to create a 'wellness pot' for everyone instead."

### The key question to ask

While more sophisticated HR messaging seems like common sense, Mellor stresses that there are times when it's appropriate to tailor the message to different groups, and times when this is not appropriate. "Sometimes a unified message is more important, with links that go off to detail for different groups. In fact, it's a good idea to question why we treat anyone differently at all. So, my take-home message is to ask: what do you want to achieve and how can you connect with as many people as possible in a way that works for them?" **HRD**

If you would like to talk about employee engagement solutions you can talk to **Tracy Mellor**, Reward Gateway group people director, on 0434 336 830 or **Kylie Green**, Reward Gateway sales director, on 0407 944 289; rewardgateway.com.