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### Special Note:



The NW Compensation & Reward Forum meetings now qualify for recertification credit! Applies to Certified Compensation Professional (CCP®), Certified Benefits Professional® (CBP), Global Remuneration Professional (GRP®), Work-Life Certified Professional (WLCP®) and Certified Sales Compensation Professional (CSCP™) designations granted by WorldatWork Society of Certified Professionals. For more information on recertification, visit the WorldatWork Society website at [www.worldatworksociety.org](http://www.worldatworksociety.org)

## President's Message

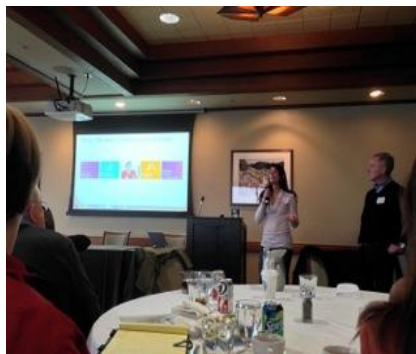
By: Matt Johnson

Spring-like weather is arriving in fits and starts here in the Northwest. The tulips are breaking through the ground and we should start to see blooms in the next couple weeks. I, for one am happy to have some warmer weather and longer days.

This is also an exciting time for the Northwest Compensation and Rewards Forum. We have a great event planned for our April quarterly meeting being held at the Bellevue Club on April 17<sup>th</sup>. The topic is "Short Term Incentive Design" presented by Bill Smith. Bill has presented at the Forum in the past and has always received rave reviews. Welcome Bill.

We had a smashing success with our January quarterly meeting. Close to 80 members joined us for a presentation by J. Ritchie and Julie Tschida Brown from Microsoft. Our post-event survey indicates that the presentation was very well received.

We also collected food for donation to the NW Harvest. We collected a trunk load of food and just about \$200 in cash. I personally delivered the food and money to the NW Harvest location on Cherry Street in Seattle. They were very appreciative of the donation. Thank you to everyone that attended the January meeting and donated food or money!



We look forward to seeing you on April 17<sup>th</sup> at 11:00 AM at the Bellevue Club for Bill Smith's presentation on "Short Term Incentive Design". It's always a good time of year to get involved with the Forum, and we would be happy to see you!

### Upcoming Training Opportunities

Course: C17-Market Pricing - Conducting a Competitive Pay Analysis - 2 days in Bellevue - April 17<sup>th</sup> and 18<sup>th</sup>

Course: B12-Benefits Outsourcing -- Selecting, Contracting & Managing Service Partners - 2 days in Bellevue - June 12<sup>th</sup> and 13<sup>th</sup>

## 2013 NCRF BOARD

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## NCRF Spring Quarterly Meeting

April 17, 2013 – Bellevue Club

### Variable Pay: Most Common Myths and Mistakes

Registration starts at 11:00 AM  
Presentation will start at 11:45 AM

Bill has worked with organizations on literally hundreds of incentive plans. He will lead us in a discussion and presentation focused on the most common myths people have and mistakes organizations make that undermine the effectiveness of variable pay plans. And he promises to answer definitively, the most hotly debated compensation question of our time: Is “incentivize” even a word?

Bill has extensive experience with a wide variety of public and private sector organizations of all sizes and types of ownership structures and in a broad cross-section of industries including: retail, manufacturing, technology, financial and health care.

He is known for his skill in assessing the unique circumstances faced by organizations, his knack for finding creative value-added solutions and his ability to communicate to every type of audience.

Bill has over thirty years of experience in executive compensation and strategic rewards consulting. He has served clients of all sizes in a broad cross-section of industries. He is a frequent speaker, has authored numerous articles and has conducted training on a wide variety of compensation topics in the United States, Europe, South America and Asia.

In March of 2012 Bill started **Bill Smith Compensation Consulting Inc.** Previously, he was a Principal in Milliman’s Compensation Consulting Practice, and prior to that he served as the Northwest Compensation Practice Leader for Towers Watson.



*WorldatWork Society of  
Certified Professionals®*

Approved for  
Recertification Credit

## TRAINING OPPORTUNITIES VIA NCRF

The Northwest Compensation & Rewards Forum is pleased to offer multiple WorldatWork certification classes throughout 2013.

**Sign up by calling WorldatWork Customer Relations:**

- Toll-free (877) 951-9191
- Email: [customerrelations@worldatwork.org](mailto:customerrelations@worldatwork.org)
- Web at [www.worldatwork.org](http://www.worldatwork.org)

NCRF - 2013 Schedule for WorldatWork Certification Courses		
Date of Event	Course*	
April 17-18, 2013	C17	Market Pricing - Conducting a Competitive Pay Analysis
June 12-13, 2013	B12	Benefits Outsourcing -- Selecting, Contracting & Managing Service Partners
October 16-17, 2013	T1	Total Rewards Management
November 13-14, 2013	T4	Strategic Communications in Total Rewards

\* Course location to be announced soon.

CWCG (Portland) - 2013 Schedule for WorldatWork Certification Courses		
Date of Event	Course	
May 9-10, 2013	B3	Health & Welfare Plans – Plan Types and Administration
July 25-26, 2013	T3	Quantitative Methods
October 24-25, 2013	C2	Job Analysis, Documentation and Evaluation

<http://www.cwcg.org/>

<u>2013 Pricing Information</u>	Course and Exam	Course Only
Non-Member	\$1,810	\$1,700
WorldatWork Member	\$1,220	\$1,130
NCRF & NW GPN Member*	\$1,098	\$1,017

\*10% Discount for NCRF & GPN members

**Congratulations to the following members who achieved certifications in 2012!**

Name	Job Title	Company	Certification
Christine D Wiltz, CCP, GRP	Director Compensation & Benefits	Plum Creek Timber Company Inc.	GRP
Julie Elizabeth Howe, CCP	Compensation Benefits & Labor Manager	City of Redmond	CCP
Catherine L Dovey, CCP, CECP, GRP	Principal	Compensation Works	GRP, CECP
Eric R Tuch, CCP, GRP	Director, Total Rewards	Avanade Inc.	GRP
Nancy Ellington, CBP, CCP, GRP	Sr. Director Comp Benefits & HRIS	Intellectual Ventures	CBP, GRP
Khanhlinh T Duong, CCP	Compensation Analyst	Providence Health System	CCP
Michelle Maycock, CCP	Sr. Compensation Analyst	Eddie Bauer	CCP
Scott Dyck, CCP	Analyst 3, Compensation	Comcast Cable	CCP
Yolanda Drennen, CCP	Sr. Compensation Analyst	Providence Health System	CCP
Connie R Nichols, CBP, CCP	Human Resource Generalist II	Toray Composites America Inc.	CBP
Shelley M Kelly, CBP	HR Specialist	Nintendo of America Inc.	CBP
Carolyn Grandt, CCP	Sr Compensation Analyst	Swedish Health Services	CCP
Deana Christensen, CBP	Sr Benefits Administrator	Coinstar Inc.	CBP
Chad Anders, CCP, CSCP, GRP	Analyst Incentive Compensation Design	Philips Healthcare	CSCP
Mary Whilden, CCP, GRP	Sr Advisor Compensation	Hewlett-Packard Co	GRP
Geneva Phillips, CCP	Specialist Compensation	The Boeing Company	CCP
Rache Stotts-Johnson, CCP	Compensation Consultant	T-Mobile Inc.	CCP
Shannon Drohman, CCP	Senior Consultant	Compensation Works	CCP

# NCRF Winter Quarterly Meeting

January 9, 2013 – McCormick & Schmick's

We had a great lunch meeting on January 9<sup>th</sup> at McCormick & Schmick's in Seattle, and thank you to everyone who brought non-perishable food donations! Matt was able to fill up his Suburban and take the donations to Northwest Harvest.

Our speakers, J. Ritchie and Julie Tschida Brown from Microsoft, provided us with an engaging and informative discussion about Microsoft's performance and reward principles. In case you missed the meeting, here is a recap of the discussion:

Instead of "compensation philosophy," Microsoft has the following performance and rewards principles: 1) distinctiveness, 2) differentiation, 3) market competitiveness, and 4) accountability for results. Employees at Microsoft are expected to development commitments, a term used instead of goals and objectives – as Microsoft believes that the "commitment" terminology changes the emotional reaction to one's work, making it more personal and meaningful.

Both speakers indicated that an organization must ask: do you want a performance management culture, and do you want to differentiate with regard to rewards to reward performance? If yes, then an organization must develop a rewards structure around a distribution, as well as develop an appropriate budget for allocating rewards. Microsoft's structure includes maintaining a culture of being a high performing organization, ensuring differentiation of rewards, identifying top talent, and allowing for dynamism in an organization (sometimes referred to as "churn").

Microsoft's performance management program integrates formal feedback and assessment activities, as well as informal year-round feedback. They use an employee's commitments as the basis for the program, with manager and peer feedback mechanisms, and mid-year check-ins. In assessing performance, three inputs are used: what results were delivered, how were they delivered, and the proven capability of the results. The assessment results in a single performance rating.

Microsoft utilizes a 5-point rating system, with 1 the highest and 5 the lowest, and the result of the performance rating includes the potential for a merit increase, as well as bonus and stock awards. They do utilize a calibration system, and a recommended target distribution, as well as some definitions for the different performance ratings to provide a starting point for managers to assess performance. Microsoft's total rewards staff also collects data on feedback for the ratings, which can be provided to employees to give them information on how to affect and improve their performance ratings. Important aspects to Microsoft's performance management program are: ratings are for one year only, employees know that they are in control of their destiny and have tools to learn about improving ratings, and it is a relative rating system. Notably, 60% of the employees at Microsoft had different performance ratings from one year to the next.

Microsoft evaluates their rating distributions every year, and has found that 85% of their employees get the target rating, or better. Their goal is have the top 20% of employees be paid at the top 10% of market. They may make focused investments in certain departments/groups which are considered to be "hot" market areas.

The performance management program at Microsoft is always evolving: annual feedback is collected from employees, and both qualitative and quantitative analysis is performed; an annual employee satisfaction survey is conducted, covering, among other things, company culture/ direction and rewards programs; external analytics, including market data, are extensively evaluated; and market driven investments are analyzed.

## MEMBERSHIP INFORMATION

[Renewal Reminder](#)

**In case you haven't already done so, please renew your membership for 2013.**

NCRF is looking forward to another year of great speakers and member benefits such as reduced fees for meetings and discounts on WorldatWork certification courses.

We did not increase membership rates in 2013, so the rates will remain as listed below:

Membership	2013
Students	\$10
Individuals	\$50
Corporate-Tier 1 (1-3 people)	\$150
Corporate-Tier 2 (4-10 people)	\$250
Corporate-Tier 3 (11 or more)	\$500

Renew your membership through our website using PayPal, or send your renewal membership check (made payable to NCRF) to:

### Northwest Compensation & Rewards Forum, Attn:

Treasurer  
24 Roy Street #755  
Seattle, WA 98109

### 2013 Membership Director:

Stephanie Beeck

If you have any questions regarding membership, please contact Stephanie.

**Spring Meeting Registration Info  
April 17, 2013 – Bellevue Club**

\$35 for Members & \$50 for Guests

*MasterCard, VISA (online only) or checks accepted. Reminder, once you reserve a space, you must pay even if you do not attend.*

Register online at: <http://www.nwcompforum.org> (works best with Microsoft Internet Explorer) or send an e-mail to Tresa Hoang at [tresa.hoang@avanade.com](mailto:tresa.hoang@avanade.com).

11:00–11:45 Registration, networking and buffet lunch  
11:45 Announcements  
12:00-1:00 Presentation

**PAY FOR YOUR NEXT MEETING WITH PAYPAL**

Want to maximize your networking time at the NCRF meetings? Breeze through the meeting registration by pre-paying your registration fee via PayPal. **We no longer accept credit or debit cards at the door.**

Anyone who wishes to pre-pay for the NCRF monthly meetings can do so without having a PayPal account. Simply click on the PayPal link on our registration page, enter the credit card number you wish to have charged onto the secured web site and your fee is paid. All you have to do is show up for the meeting and network away! It’s as simple as that!

To learn of other events, please contact the following organizations directly:

**WORLDATEWORK, [www.worldatwork.org](http://www.worldatwork.org)**

Columbia-Willamette Compensation Group  
[www.cwgc.org](http://www.cwgc.org)

Employee Benefits Planning Association  
[www.ebpa.org](http://www.ebpa.org)

Alaska Association of Compensation Professionals  
(907) 333-9705

Intermountain Compensation & Benefits Association  
[www.icbautah.org](http://www.icbautah.org)

**NCRF JOB BANK**

We invite our members to take advantage of the NCRF’S JOB BANK located on our website at [www.nwcompforum.org](http://www.nwcompforum.org). There is no cost to do so.

**QUESTIONS**

If you have any questions regarding membership, events or other topics, please email the NCRF at: [info@nwcompforum.org](mailto:info@nwcompforum.org).

**NCRF SPONSORSHIP**

We invite our members to take advantage of the marketing potential our organization provides by sponsoring a meeting. Please contact Jay Bulson at [jay.bulson@comcast.net](mailto:jay.bulson@comcast.net) for more information.

**Join our LinkedIn Group:**

If you’re on LinkedIn – look for the Northwest Compensation and Rewards Forum

**NCRF Membership Eligibility**

The Northwest Compensation and Rewards Forum was founded to provide a forum for the exchange of information, a voice in legislative activities and to offer educational and networking opportunities for rewards professionals. Membership is open to benefits, compensation, and total rewards professionals.

NCRF meets quarterly and maintains a membership of over **365** professionals from 85+ organizations and is a member of the WorldatWork Local Network.

WorldatWork national membership is available separately. Contact WorldatWork at (480) 922-2020 or via links from the NCRF web page: [www.nwcompforum.org](http://www.nwcompforum.org).