

The 2010 *ifs* ProShare Employee Share Plans Annual Conference and Exhibition



Annual Conference 2009

In our February newsletter we announced that this year's Employee Share Plans Conference and Exhibition would take place on Wednesday 13 October at the British Museum. Members have been contacted and invited to suggest presentations that they would like to deliver on the day. We have already received a number of excellent suggestions to review before we settle on the final programme.

We are delighted to announce details of confirmed sponsors for this year. Our major sponsor this year is Computershare Plan Managers. Capita Share Plan Services, Equiniti and Killik Employee Services are supporting sponsors and Baker & McKenzie and ShareGift are exhibiting sponsors. This year delegates will be provided with a USB memory stick containing the presentations and this is being sponsored by Handle with Care. At the end of the conference there will be an opportunity to choose from one of a selection of guided tours of the museum; these are kindly being sponsored by Computershare Plan Managers. Our thanks go to all of our sponsors for their support of this event. There are a number of sponsorship opportunities still available; for more information please contact Julie Richardson on 020 7444 7104.

All delegate rates have been frozen at 2009 levels and **booking is now open** on our website.

Annual Awards

The date for the 2010 *ifs* ProShare Annual Awards Gala Dinner is Thursday 2 December 2010, when we will be celebrating 18 years of rewarding excellence in the industry. The event will be held at the Grand Connaught Rooms in Covent Garden. The *ifs* ProShare Annual Awards Gala Dinner is one of the most prestigious and anticipated events on the employee share plans calendar.

Our judging panel this year will once again be chaired by Stuart Bailey from the FSA. Stuart will be joined on the panel by Michael Bendorf (CEO of Global Equity Organization), Debbie Lovewell (Deputy Editor of Employee Benefits magazine), Kevin Meehan (recently retired from HMRC's Employee Shares and Securities Unit) and Sally Russell (recently retired from the employee share plans industry).

If you are considering entering the awards this year and want to know more about what is involved, then we are holding a workshop on 'How to enter the *ifs* ProShare Awards'. This event is kindly being hosted by Killik Employee Services on the morning of Thursday 13 May 2010. This is a great opportunity to hear from the Chair of the Judges and *ifs* ProShare about:

- the award categories and criteria
- the judging process
- what the judges look for
- structuring your entry
- a case study

Further information about the Annual Awards, including information on table bookings, will be available shortly so please look out for more details in the near future.



FREE Share Plan Consultancy

by Loughborough University's
David McConville



Research sponsored by *ifs ProShare* to assess the impact share plans have on employee behaviour and their attitudes towards the company they work for is being conducted by Loughborough University Business School, one of the UK's top research-led business schools.

Although much research has looked at how share plans affect employee performance (particularly in the US), the Loughborough University research will focus on share plans in the UK and how they affect employees' attitudes and behaviours towards their employers, including their feelings of ownership towards the company.

New participating companies wanted

The research is being conducted by PhD researcher David McConville from Loughborough University, an experienced researcher previously involved in research with the East Midlands Development Agency, Scottish Enterprise and the ESRC.

Major banks, telecommunications companies and SMEs have already benefited from the research and other UK companies are now invited to participate and benefit from it directly, as David explains:

'The research is absolutely free and we have had a great response from a wide range of companies so far. Having started the research in 2008 we are now over two thirds the way through and we're looking for more companies to take part with a short e-survey for their employees.'

Valuable findings

Each company that participates receives a concise report with findings that will enable them to gain valuable insights into their company in terms of how their share plan really affects their employees' attitudes and behaviours towards the company. The report will also help companies to identify opportunities to improve their employee share plan and maximise their return on investment as a result.

Minimal disruption

A 10-minute e-survey is sent to employees of the company's choice. The results are collated and analysed to create a concise report for the company. Each company's data is anonymised so it can be included in a final UK Report for *ifs ProShare*, which should be finished for the spring of 2011.

How to get involved

UK companies who offer any of the following types of share plans will benefit from participating in this research: SAYE (Save as You Earn); SIP (Share Incentive Plan); EMI (Enterprise Management Incentives).

Contact David McConville at D.C.Mcconville@lboro.ac.uk by July 2010.

New SAYE Bonus Rates

New bonus rates come into effect on 14 May 2010. These are shown below with the current rates in brackets.

Type of Contract	Total Monthly Savings	Tax Free Bonus	Interest Equivalent
3 year	36 payments	0 x monthly contributions (0.3)	0% (0.54%)
5 year	60 payments	1.8 x monthly contributions (2.2)	1.16% (1.42%)
7 year	60 payments	4.9 x monthly contributions (5.2)	1.74% (1.84%)

Training courses and workshops

It has been a great start to 2010 for our training courses and workshops. The majority of courses that have been run so far sold out early, and this year we are also introducing some new courses. These include a workshop on corporate actions and their impact on share plans, and an introductory training course on international share plans; please see below for details of our forthcoming events.

We are still adding events to the programme so please do check our website for up-to-date details.

Thursday 13 May	How to Enter the <i>ifs ProShare</i> Awards Kindly hosted by Killik Employee Services
Tuesday 18 May	An Introduction to Employee Share Plans – Technical Course
Wednesday 19 May	Corporate Actions and their Impact on Employee Share Plans Kindly hosted by Herbert Smith
Wednesday 26 May	An Introduction to International Employee Share Plans
Tuesday 8 June	An Introduction to Employee Share Plans – Practical Course
Thursday 10 June	Accounting for Employee Share Plans

Booking

Each course will give delegates the practical skills and knowledge they need when managing or advising on an employee share plan. Full details of all training courses and workshops are available on [our website](#). If you are interested in attending, all you need to do is select the course that best suits your needs and make a booking.

To make a booking, please download and complete the relevant Booking Form from our website and return it to the address given on the form. Courses are booked on a first come, first served basis.

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Smith & Nephew International Share Plan Case Study

Sharesave is a product that can benefit everyone. With many employees expected to lead longer careers and many required to boost their existing pension provision in later life, this plan fits the bill. Sharesave is particularly useful in light of the Government's stated aim of increasing people's savings.

For an employee, Sharesave offers simple risk-free savings with the ability to invest those savings in the company for which they work and add value on a daily basis. For the employer, Sharesave incentivises and motivates a workforce they rely on to ensure the bottom line figures are reached.

Great news for all involved – or is it? For many companies with a truly global workforce, how is it possible to attract and, often more importantly, retain valuable people with what may, ostensibly, be considered a UK product? And how do you do that when your workforce is scattered across the globe speaking not only a host of different languages, but, more often than not, having little experience or knowledge of shares or share options?

This was the challenge facing Smith & Nephew. They were determined in their ambition to communicate, better than ever before, the benefits of Sharesave. They were keen to take advantage of the benefits widely available and taken up in the UK using Sharesave plans and cascade this with still greater success overseas.

Smith & Nephew is a company that, for more than 150 years, has developed advanced medical devices for healthcare professionals around the globe. Their pioneering technologies enable nurses, surgeons and other medical practitioners to provide effective treatment quickly and economically. A truly global brand.

For over 20 years, Smith & Nephew has made Sharesave available to employees in the UK. In 2009 Sharesave take-up in the UK was a healthy 953 employees, slightly under 60 per cent of the eligible UK workforce. The challenge? To replicate these numbers overseas. How? Through education and improved communication through local co-ordinators.

The requirement

Between them, Anne Walsh, Share Plans Manager at Smith & Nephew, and the team at Equiniti identified key areas of development.

Local co-ordinators – with such a diverse workforce it was essential that buy-in of the product was achieved through the local co-ordinators. These individuals would be key to success. Each had a part to play in ensuring the message was cascaded to employees outside the UK.

Importantly, it was essential to involve the local co-ordinators in the decision-making process regarding communication content and design. They are the eyes and ears of the company on the ground. Their input was vital

for success.

To assist still further, a creative solution was developed, allowing Anne and the local co-ordinators to keep abreast of the employee take-up of the plan, and allowing everyone better visibility and the opportunity to recognise those jurisdictions where poorer-than-expected take-up was identified. This allowed the luxury of being better placed to dispatch speedier communications to assist with advice in these areas.

Website design – it was important that the literature available on the website was both easy to read and informative. In addition, translated copy was essential for all non-English-speaking countries.

Invitation planning 2009

Smith & Nephew has made available the Sharesave product to its overseas colleagues for seven years. With invitations being made in 27 countries (increasing steadily since 2002) and as many as fifteen sets of literature requiring translation, the overall task included a particularly challenging publicity campaign.

In 2009, the decision was taken to involve local co-ordinators to a greater extent than in previous years. Feedback received from local co-ordinators suggested many were increasingly disenchanted with Sharesave, feeling isolated, positioned in an office in deepest Germany or a 24-hour flight away on the coast of Australia. Engagement was key.

Equiniti presented the idea of an international forum to discuss invitation planning and the responsibilities of each co-ordinator. A simple two-fold idea emerged. The first element was an opportunity to speak with all co-ordinators via conference call at a mutually agreed time, allowing a single forum at which individuals could raise questions or concerns. The second element was to provide, for the first time, a forum through which local co-ordinators could speak with one another about Sharesave and know that they were not as isolated as they thought.

Feedback since the 2009 campaign has been very positive, resulting in similar forums being made available for the planning of other such key tasks, including the Sharesave maturity. To measure the effectiveness of the forums, Equiniti devised a post-task survey. One of the thirteen questions included in that survey asked local co-ordinators to answer the following: 'In 2009, we held conference calls to go over the process and give co-ordinators the opportunity to ask questions. Local co-ordinators were required to answer two sub-questions:

1. Did you dial into the conference call with Equiniti to go over the launch process?
2. If yes, how helpful did you find the conference call?'

Of those countries responding, 100 per cent answered 'yes' to question 1, confirming the

value of such forums; 54 per cent of co-ordinators answered 'excellent' to question 2, with the remainder answering 'good' or 'good+'.

Reaching a diverse workforce

Anne and her colleagues decided a more accessible and user-friendly approach both to communicate the Sharesave and to receive and record applications would be through an electronic alternative. Development of the online alternative began in 2008, so a web-based alternative was not new to Smith & Nephew; however, it was recognised early on in 2009 that a complete overhaul of the existing platform was required to maximise the medium's impact. Together Anne and the Equiniti team embarked on developing a site that filled this criteria. Special attention was given to ensuring each page was relevant to the employee. Smith & Nephew imagery, instantly recognisable to an employee no matter where they were in the world, was carefully selected and used.

The literature was worded to ensure a concise and relevant message was delivered to every eligible employee, and translations of the copy were agreed early on to capitalise on the opportunity.

'World class service'

The result? Increased take-up – from 13 per cent of eligible overseas employees in 2007 and 17 per cent of eligible employees in 2008, to 20 per cent in 2009. Although this represents a marginal increase of 3 per cent on the previous year, the increase in 2009 is viewed as a positive endorsement of the Smith & Nephew offering and a very positive response from employees that Sharesave is truly a multicultural product, no matter what the geographic or language barriers.

Just as importantly, local co-ordinators, through a closer process of communication brought about by the co-ordinator conference calls, have confirmed an improved experience for them at a personal level, which has been verified with positive feedback through the survey. Reflecting on the success of the invitation, the reasons for it, and feedback both verbally and following the results of the local co-ordinator survey, Smith & Nephew commented to the Equiniti team – 'It's nice to hear the co-ordinators consider that you are providing "a world class service".'

More about the author

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