Mott MacDonald Compensation Practice

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Compensation practice is a common aspect in many businesses and workplaces involving a strategic framework of an organizational on employee management and how they get paid for their services within the organization. This is a common and popular human factor, and all organization practices it. As such, each organization has a predetermined compensation strategy which makes the guidelines with which this organization relates with its employees. Mott MacDonald is a consultation and construction company based in the United Kingdom with an employee number approximately 16,000 who work in more than 150 countries spread all over the whole world as per the year 2017. This multinational is an excellent example of an employee-owned company founded in 1989. This essay analyzes the aspect of employee compensation for Mott McDonald as one of the company’s and its effect on the relevant stakeholders as well as how external factors such as labor unions, market factors, laws and regulations affect the employee compensation factor of Mott MacDonald private company.

Mott MacDonald was formed after a merger by Mott, Hay, and Anderson with Sir MacDonald& Partners. Before the merger, Mott, Hay, and Anderson was just a logistic engineering consultancy and had done some remarkable jobs such as the London Underground. Sir MacDonald & Partners at that time was a Hydro engineering consultancy with remarkable jobs completed such as the Aswan Dam. After the merger, Mott MacDonald became among the first multinational engineering, development and management consultants to extend their working scope to cover an international platform.

 Mott MacDonald has a compensation strategy like no other in the industry. This giant acknowledges the concept of compensation that clears the gap in gender pay structure. This strategy is aimed at transforming the male-dominated industry whereby it hires women too in an industry previously thought to only belong to the masculine gender. From the 2018 published report of the Mott MacDonald gender pay gap, Mott MacDonald coined to have a 19.3 percent median gender wage gap and a mean of 20 percent on its gender wage gap. As such, Mott MacDonald has a median gender advantage gap of 50.3 percent while the mean advantage gap remains 45.2 percent (Mott MacDonald 2019).

From this statistical data about Mott MacDonald, it can be defined that this company has the interests of gender equality at heart. As compared to other engineering companies, Mott MacDonald fairs better in gender equality when it comes to employing and compensating feminine workers. James Harris, the managing director of Mott MacDonald, in the United Kingdom and Europe in general tells in the report that the current compensation strategy employed by Mott MacDonald is striving to balance the gender wage gaps, a thing usually neglected by other firms in the same industry as well as other industries in total.

Also, Mott MacDonald strives to attract and refine useful talents under civil engineering as one of the strategies of attaining future success for Mott MacDonald. Among this strategy is to absorb the ready talents of women who are in many cases thought to be bend towards civil engineering. A such, Mott MacDonald nurtures these female talents ensuring that they get to grow and form stable careers in the long run (Mott MacDonald 2019).

Mott MacDonald is among the highest paying civil engineering companies in the world. For instance, an electrical engineer receives a salary ranging between 62,000 USD to 78,000 USD in an entire year. This company also accepts different levels of education ranging from Bachelor of Science, Bachelor of Engineering, Bachelor of Science, Electrical Engineering as well as Master of Science to enroll as a formal employee.

Mott MacDonald works on defined “best practices.” Among these practices, Mott MacDonald works to better the world from what its state is at modern. As such, Mott MacDonald works to understand all their customer needs to deliver their potential outcomes based on added value and desired outcomes. To attain this, Mott MacDonald ensures that they hire and develop quality talents in their daily routines of inquiring, solving the problem, innovations as well as the continuous strive to attain the best outcomes for their clients.

Another best practice by Mott MacDonald is the respect for the natural environment, cultures as well as individuals related to Mott MacDonald. S such, this company is determined to better the situation of the environment whereby, the company ensures that the environment does not get polluted on their account. Still, on this light, Mott MacDonald ensures that it does respect and honor the cultural diversity of the world since it's working scope stretches across the globe since it is a multinational organization. One thing of importance is that, for a multinational to thrive in success, it has to respect the many cultural structures it comes in contact with (Howells 2019).

Another best practice done by Mott MacDonald is the issue of integrity. Mott MacDonald is designed to work bound to the state rules and regulations about labor laws. This can also be seen as a compensation element for its employees since Mott MacDonald respects the regulations placed by the state on the safeguarding the national employees. Still, on this light, Mott MacDonald ensures that its employees are safe from any work-related harm. This aspect is also among the employee compensation elements which cares for the health and goodwill of their employees (Howells 2019).

Regarding the monetary compensation of their workers, Mott MacDonald has a pension scheme which is a defined contribution. This master trust planning is placed for all the employees of the United Kingdom. In March of 2018, Mott MacDonald initiated an Individual Savings Account for its employees. Also, this company opened the doors for its employees to trade on their shares and stock on the national stock exchange. This initiative is among the vital elements of compensation for its employees as it is a core financial benefit which is coupled with permanent health insurance as well as life insurance. As an employee of this organization, the monetary benefits are ample for both individuals as well as family development (Fuller 2018).

Mott MacDonald initiated a flexible benefit for their employees, a program instigated in 2009. This program carries with it some lifestyle benefits which allow its employees to live a healthy lifestyle. Some of the amenities provided by Mott MacDonald in the quest to better the lifestyles of its employees include such as gym memberships, annual leaves, and a good working cycle. As reported by Pearn, these lifestyle benefits are placed to aid their workers in living lives of quality, an element which translates back to the strong structure of Mott MacDonald due to the level of lifestyle contentment Mott MacDonald offers to their employees (Fuller 2018).

One of the challenges faced by Mott MacDonald in employee compensation is lowered profit margins. In some years, Mott MacDonald fails to achieve their targeted profit margins which affect the employee compensation strategies there are. For any organization, employee compensation is an important issue, and when the revenue is not allowing Mott MacDonald to reimburse the welfare of its employees fully, there arises the need to outsource more money to cater for this. As such, Mott MacDonald auctions some shares to their employees in an attempt to refill their revenue slots to function better.

When considering the efforts Mott MacDonald places in monetary and lifestyle benefits to their workers with the entire employee compensation plan, the company enjoys a positive effect from the satisfaction offered while working for Mott MacDonald. As such, this company has healthy workers who are competent in their jobs since the benefits compensation of Mott MacDonald allows its employees to work under minimal stress from their social lives. For instance, offering gym amenities for their workers ensures that workers in this company live with minimal work fatigue which is eliminated by physical exercise. As such, the financial growth of Mott MacDonald gets intensified ensuring that the organization achieves the most from the potentials of their workers (Watson et al., 2008).

On the negative side, Mott MacDonald suffers from a heightened cost of production and employee compensation. It is pretty evident that with the degree of employee compensation asserted by Mott MacDonald, its annual expenditure is high as compared to other organization with the same structural operations under the civil engineering industry. These employee benefits and compensation not only reduce the company profitability but also reduces the growth rate of this organization (Watson et al., 2008).

Mott MacDonald operates its business procedures based on the state laws of the branches they have worldwide respectively. One of the laws kept sacred for this company include the law on integrity. As such, Mott MacDonald works bound by integrity whereby corruption and bribery are never tolerated within the procedures of this multinational. As proof of this, Mott MacDonald is certified by the British Standard 10500, a regulation on business operations done under the frameworks of anti-bribery management.

As a new employee for Mott MacDonald, a person is provided with a booklet which iterates on the ethical standards Mott MacDonald is designed to operate under. As such, each employee fully comprehends of what are their expectations for the company are, and as such, each stakeholder within the scopes of this company follows the set business ethics shorn of any fear from any peer or leadership prejudice. As such, Mott MacDonald has erected a report cite where any person can report any unethical procedures happening within the scope of the company. The link is “[www.expolink.co.uk/mottmacdonald](http://www.expolink.co.uk/mottmacdonald).” As an element affecting the compensation practices of Mott MacDonald, the effect is always a positive effect since the employees of this company get to experience a work-life free from legal turbulences from the law (Mott MacDonald 2019).

Since Mott MacDonald works internationally in both the developing world as well as the developed world, its functionality and relevance in profitability and worker compensation is tied to the national and global market factors. For instance, the constriction of market demand in the developing world due to their malnourished economies affect the rate of Mott MacDonald getting contracts in these countries (MacDonald 2002).

On the other hand, the Western and European markets for Mott MacDonald are saturated by other companies working under the civil engineering industry. As such, the market demand is limited following the fact that competitors share out the available working contracts availed. As such, this scenario also lowers the growth and revenue buildup of Mott MacDonald (MacDonald 2002).

In conclusion, Mott MacDonald has been identified as one of the United Kingdom’s companies with a stable and healthy structure which helps in the firming of employee compensation. Some of these compensations have been identified as recommendable wages and salaries for their employees, lifestyle benefits such as a gym and healthy work leaves, as well as health benefits such as life and medical insurances for their workers as well as their families. These benefits have been noted to improve the value and quality of their employee lives. As such, Mott MacDonald benefits from the bettered employee lives since these employees work with minimal social stress.

On the other hand, the negativities derived from the employee compensation are increased expenditure for the company which lowers the company development rate as well as their profit margins. Mott MacDonald has also been seen to comply with various labor laws and regulations which are set respectively of the country Mott MacDonald is working in. As such, the employees of this company get to work under minimal legal turmoil due to lawbreaking and disregard of employee-related regulations.

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