



ENHANCING PROFITABILITY USING WORKFORCE ANALYTICS™

Executive Compensation and Benefits



Professional services firms face significant challenges in structuring compensation and benefits programs that appropriately reward superior performance.

Alvarez & Marsal Executive Compensation and Benefits (A&M) utilizes proprietary analytical systems to help these firms reward partners, enhance professional and administrative workforce effectiveness, and improve profitability.

A&M's Workforce Analytics™ tools aggregate data – including compensation and benefits history and a firm's retirement obligations to each partner and employee. The results, presented using enhanced visualization techniques, enable the firm to make strategic decisions that can bolster profitability.

THE A&M ADVANTAGE

Managing a large staff of professionals and administrative employees can be a daunting task. We help management understand, project and gain better control over current and future productivity and costs. Workforce Analytics™ provides visual “dashboards” that are tailored to each client's specific needs that:

- Drill down results from summary to segments to single data points
- Filter results across disparate data sources for comprehensive analysis
- Highlight results across different views to find relationships in the data

OUR SERVICES

Enhance Partner Compensation and Benefits Arrangements

A&M's Interactive Analytical Partner Model (IAPM) gives a company the tools for structuring an appropriate allocation of distributable income.

A major challenge for many firms is addressing unfunded retirement benefits obligations to current and future retired partners. Implementing a practical, cost-efficient, tax-effective and creditor-protected arrangement that meets partners' expectations can be overwhelming. IAPM can also project a company's aggregate retirement obligation under various scenarios, giving effect to their projected earnings growth and “caps” that place limits on the annual amount paid to retired partners.

An understanding of these obligations and a detailed analysis of the options to address them can have a significant impact on a company's ability to fairly compensate active partners, while meeting its obligations to retirees.

Improve Professional Staff Contribution to Profitability

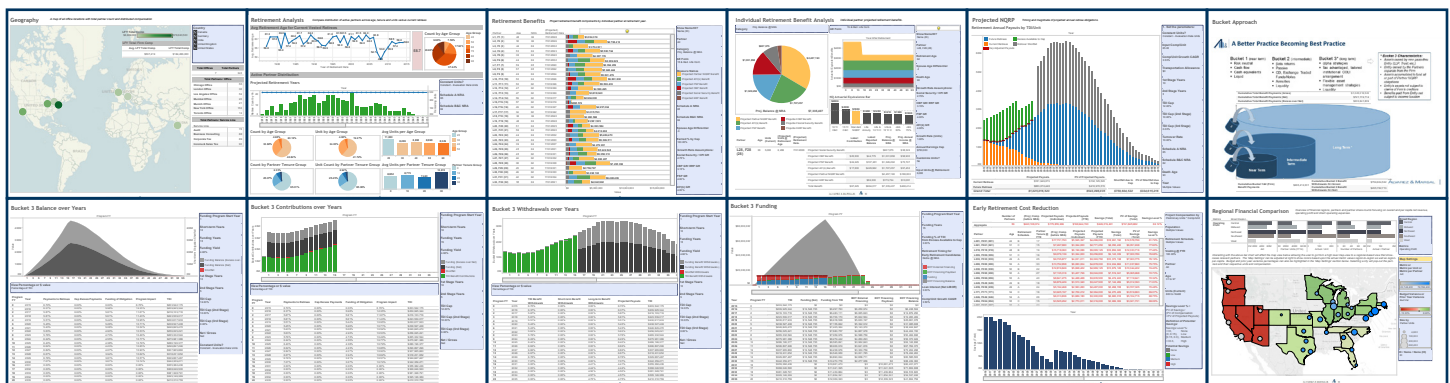
“Utilization” and “Realization” have a direct impact on a company's financial performance. Our Interactive Analytical Financial Model (IAFM) provides a detailed analysis of these metrics. It identifies management approaches that have achieved improved results and highlights practice areas where better professional staff management can enhance profitability. Detailed statistical analysis produced by IAFM can help convince practice leaders on the desirability of change.

Enhance Professional and Administrative Staffing Efficiencies

Our Interactive Analytical Staffing Model (IASM) gives the firm an enhanced understanding of its professional and administrative staffs and allows for more informed and insightful decisions. Issues such as rationalizing compensation in different practice areas and articulating a meaningful career path to becoming a partner can be better managed with the right information. IASM provides detailed data that can be used in a meaningful way. Both firm management and human resources will have the tools they need to better deal with daily, as well as long-term, staffing issues.

Using these proprietary A&M analytical tools, our clients are better able to address important workforce issues that occur on a continuing basis.

ILLUSTRATIVE DASHBOARDS



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ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) when conventional approaches are not enough to activate change and achieve results.

Privately-held since 1983, A&M is a leading global professional services firm that delivers performance improvement, turnaround management and business advisory services to organizations seeking to transform operations, catapult growth and accelerate results through decisive action. Our senior professionals are experienced operators, world-class consultants and industry veterans who draw upon the firm's restructuring heritage to help leaders turn change into a strategic business asset, manage risk and unlock value at every stage.