



2019

Guide to MRA Surveys

On behalf of MRA's Survey Team, we welcome you and thank you for partnering with us in our offering of comprehensive compensation, benefits, and business trend data! Our team of dedicated professionals with expertise in survey design and administration, statistical analysis and reporting, custom surveys and market research is ready to meet your survey needs. To ensure your organization remains competitive in the talent marketplace, we offer efficient and confidential administration* of compensation, human resources and critical business surveys.

Your organization matters. MRA counts on your participation in providing vital survey input. The more organizations that participate, the more reliable and representative the results!

Thank you!



*MRA Surveys are administrated in compliance with anti-trust guidelines

OUR CURRENT SCHEDULED SURVEY LINE-UP

Among MRA's Current Surveys:

- Benchmark Compensation
- Holiday Practices
- Industrial & Production Trades
- Health & Insurance Benefits
- National Business Trends*
- National Executive Compensation*
- National IT & Engineering Compensation*
- National Policies & Benefits*
- National Sales Compensation*
- National Wage and Salary*
- Nonprofit Compensation & Benefits
- Compensation Trends
- Turnover

Additional surveys offered by MRA include Hot Topic, Custom, and Industry Specific

*MRA's Employer Associations of America (EAA) Membership – a collaborative effort with fellow employers' associations across the country providing robust national data through joint surveys

FREQUENTLY ASKED QUESTIONS

What do I need to do to guarantee I receive emails for survey participation invites, reminders and reports?

Have your IT department "white list" the following emails:

- @mranet.org
- @periscopeiq.com
- @qemailserver.com

What is the advantage of having a third party conduct Compensation, Benefits & Business Trend surveys?

Anti-Trust guidelines counsel organizations to use a third party for conducting Compensation, Benefits & Business Trends Surveys. Because there are no vested interests, the focus is on reporting key metrics while protecting the confidentiality of all parties. Third parties also tend to be subject experts capable of providing a larger context and comparison for important insights.

Can I share results with other organizations?

MRA surveys are not to be used commercially or for any purpose other than those that pertain to the internal planning of the purchasing/participating organization.

For more frequently asked questions, click [here](#).

RELY ON MRA SURVEYS

Benefits of MRA Survey Participation

Organizations invest a significant portion of their financial spend on employee pay. When looking to save a little time, don't cut corners on your compensation data.

Your organization deserves reliable market data which you help provide when you participate in MRA surveys. With local, employer-matched, employer-reported pay data you can be confident that your organization is making vital pay decisions based on solid, high-quality data that is reflective of the market in which you do business.

Participate in surveys and receive free, credible reports that will help you make informed decisions on salaries, benefits, HR policies and practices. Through qualifying MRA survey participation, earn HRCI recertification credit and SHRM professional development credit (PDC).

Note: If you are unable to participate in surveys, they may be purchased at the member non-participant rate.

YOUR KEY TO DATA & PARTICIPATION

Dashboard



Locate questionnaire links, reports, and online survey tools all in one place!

- Log in at www.mranet.org to access your dashboard
- Click on Surveys (within the gray banner)
- Select:
 - **"Participate in Surveys"** for currently open surveys. Click on "Not Started" or "Started" and complete your survey. Surveys with "Complete" have been submitted for participation!
 - **"View Survey Reports"** download reports and access MRAPay and MRA's On-Demand Salary Tool
 - **"Purchase Survey Results"** to purchase reports

MRA member participants receive the final survey report, PLUS both MRAPay and the On-Demand Salary Tool are available on your dashboard when you participate in these surveys:

- Benchmark Compensation
- Industrial & Production Trades
- Nonprofit Compensation & Benefits



Current year reports are available and valid until next publication. Please check MRA's Survey Calendar for report availability.

MRA's Total Rewards Team Focuses on Solutions

- Provide the highest return on investment
- Build your business case to address strategies and performance
- Ensure alignment across business, workforce, and reward strategies
- Design salary structures and pay plans to reflect your compensation philosophy, fiscal position, culture, and business objectives for all employees
- Conduct custom research to make informed business decisions
- Channel your cost expenditures and people resources to produce optimal results!

We are professionals dedicated to partnering with you to address your organization's needs around Benefits, Compensation, and Surveys—giving you the competitive edge to attract, engage, and retain critical talent!

**From essential to comprehensive –
partner with MRA to plan
or redesign your Total Rewards approach.**

Questions? Contact: MRA's Survey Department

- ☎ 800.488.4845 x3508
- ✉ surveys@mranet.org
- 🌐 www.mranet.org/surveys



2019

MRA SURVEYS

BUSINESS INTELLIGENCE FOR BETTER DECISIONS

SURVEY CALENDAR

DATA TOOLS

CUSTOM SURVEYS

TOTAL REWARDS

MRA – The Management Association, the largest employers association in the Midwest and one of the largest in the United States, has been conducting surveys since 1901. The Survey and Business Research department has a team of professionals with expertise in survey design, statistical analysis, compensation, and market research.



MRA DASHBOARD

Locate questionnaire links, reports, and online survey tools
On-Demand Salary Tool
 & MRAPay all in ONE place!

- 1 Log in at www.mranet.org to access your dashboard
- 2 Scroll down to participate in surveys or access your survey results



MRA member participants receive the final survey report

PLUS

both MRAPay
& On-Demand Salary Tool
 are available on your MRA dashboard when you participate in these surveys:

Nonprofit Compensation & Benefits

Industrial & Production Trades

Benchmark Compensation

Healthcare Compensation

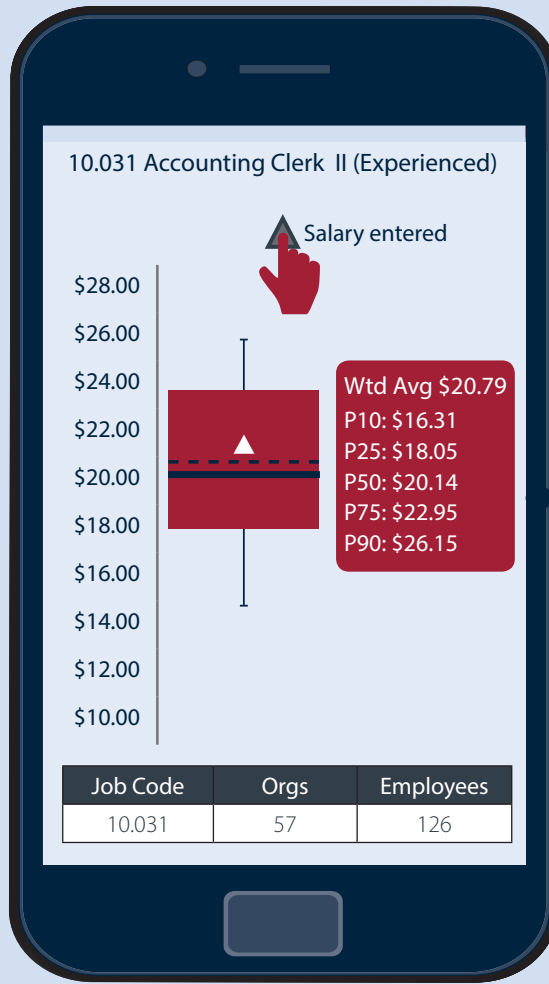
National IT & Engineering Compensation



Earn HRCI recertification credit and SHRM professional development credit (PDC) through MRA survey participation.

MRA Survey Department
800.488.4845 x3508
surveys@mranet.org

2 Powerful Data Tools. At Your Fingertips.



MRAPay

- » Quick and easy-to-use, web-based tool
- » Shows you salary ranges for specific jobs
- » Quickly see how your organization compares to MRA's credible survey data
- » Get immediate, reliable, and local data on any device

Choose your



demographic criteria

(location, industry, number of employees, gross revenue, and/or profit status),



then view your report

On-Demand Salary Tool

For a deeper data dive, **MRA's On-Demand Salary Tool** puts the power of select data cuts into your hands. Multi-cut selections allow you to roll up the data into one report.

Combine multiple demographic selections

Interact with the survey data on your terms

Get the exact information you need to make informed business decisions

2017 MRA's Benchmark Compensation Survey
 (10.031) Accounting Clerk II (Experienced)

Caution: This data is for informational purposes only. The job typically requires a general understanding of accounting principles commensurate with 2+ years of accounting training or experience, or equivalent in larger departments this level may specialize in accounts payable, accounts receivable or another area of accounting. Incumbents make routine choices within established procedures. Incumbents perform basic housekeeping to reconcile account balances and inquiry or obtain missing information or verify unusual data. An intermediate level of computer skill is required, usually involving use of an accounting software package and spreadsheets to enter, compile or extract data. Work is relatively independent, with supervision available to address non-routine questions.

Geographic Area	# of Orgs	# of Emp	Base Pay					Variable Pay					Total Compensation							
			Min	Q1	Q2	Q3	Max	Eligible	Target	Actual	Target	Actual	Min	Q1	Q2	Q3	Max			
			Wtd Avg	Wtd Avg	P25	Median	P75	# of Orgs	# of Emp	Wtd Avg	%	Wtd Avg	%	Wtd Avg	Wtd Avg	P25	Median	P75		
All Orgs	215	441	\$20.37	\$20.19	\$18.05	\$19.90	\$22.63	100	100	\$4,192	94%	\$1,962	44%	\$20.36	\$20.18	\$18.03	\$20.16	\$22.59		
Geographic Area																				
Illinois	14	60	\$22.16	\$20.88	\$18.80	\$20.66	\$22.86	8	33	7	19	\$3,657	5	5	2.3%	\$23.19	\$21.87	\$18.95	\$20.66	\$23.64
Region 1 - Cook County	7	7	\$21.88	\$21.88	\$18.80	\$20.67	\$22.87	3	3	2	-	-	3	3	-	\$22.31	\$22.31	\$18.80	\$20.67	\$23.67
Region 2 - Lake & Stoney counties	8	52	\$21.47	\$20.80	\$18.72	\$20.82	\$22.83	5	30	5	27	\$4,184	2	2	-	\$22.99	\$21.87	\$18.82	\$21.54	\$23.68
Region 3 - DuPage & Kane counties	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 4 - Northern Cook County	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 5 - Central Illinois	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 6 - Southern Illinois	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 7 - Northern Mississippi River	11	19	\$18.84	\$18.40	\$16.41	\$18.43	\$21.27	2	3	1	1	-	2	3	-	\$18.85	\$18.41	\$16.41	\$18.41	\$21.27
Region 8 - Central Mississippi River	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 9 - Southern Mississippi River	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 10 - Central North West	2	6	\$19.34	\$19.95	\$16.82	\$18.57	\$22.32	2	3	1	1	-	1	3	-	\$19.89	\$20.17	\$16.82	\$19.70	\$22.32
Region 11 - North Central Iowa Region	1	1	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 12 - Central Iowa Region	1	1	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 13 - North West Iowa Region	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 14 - South West Iowa Region	0	0	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 15 - Missouri	60	106	\$21.60	\$21.04	\$18.61	\$20.45	\$22.94	27	45	25	37	\$2,355	13	20	5.6%	\$22.06	\$21.44	\$18.75	\$20.20	\$23.13
Region 16 - St. Louis Area	49	90	\$21.80	\$21.17	\$18.70	\$20.61	\$23.94	25	36	20	28	\$2,382	11	21	5.9%	\$22.55	\$21.37	\$18.90	\$20.90	\$23.13
Region 17 - St. Louis Area	11	16	\$20.75	\$20.33	\$18.09	\$18.94	\$23.12	5	5	3	5	\$2,206	2	2	-	\$21.29	\$20.48	\$18.09	\$19.05	\$22.90
Region 18 - South Central	1	1	-	-	-	-	-	0	0	0	0	0	0	0	-	-	-	-	-	-
Region 19 - Dallas & Oklahoma counties	6	8	\$19.12	\$19.29	\$17.27	\$19.48	\$21.68	1	3	1	3	-	1	3	-	\$19.21	\$19.43	\$17.27	\$19.82	\$21.68
Region 20 - Oklahoma & Missouri	46	126	\$19.86	\$19.71	\$17.12	\$19.89	\$21.43	43	105	38	76	\$1,282	26	36	3.6%	\$20.15	\$19.71	\$17.12	\$19.76	\$21.91
Region 21 - Oklahoma & Oklahoma	13	13	\$21.15	\$21.15	\$18.44	\$20.20	\$23.73	5	5	5	5	\$2,204	4	4	-	\$21.64	\$21.64	\$18.27	\$20.20	\$24.05
Region 22 - East Central	12	12	\$21.30	\$21.30	\$18.44	\$20.20	\$23.73	5	5	5	5	\$2,204	4	4	-	\$21.64	\$21.64	\$18.27	\$20.20	\$24.05
Region 23 - North & West Central	13	19	\$18.29	\$18.60	\$16.96	\$18.41	\$19.44	4	6	3	3	-	3	2	-	\$18.78	\$18.96	\$16.96	\$18.48	\$19.44
Region 24 - Oklahoma	26	27	\$20.73	\$20.82	\$17.97	\$20.40	\$22.98	12	17	10	11	\$1,226	6	9	4.4%	\$20.90	\$21.01	\$18.29	\$20.31	\$22.74



SURVEY CALENDAR

Survey Participation Window		Final Report <i>(Previous report available and valid until next publication)</i>	SURVEY	MRA Member Cost	
Open	Deadline			Participant	Non-Participant
DEC. 21, 2018 (Alternate Years)	JAN. 25, 2019 (Alternate Years)	FEB. (Alternate Years)	2019 Turnover Survey	● FREE ● \$495	● N/A ●
SEP. 19, 2018 (Alternate Years)	NOV. 2, 2018 (Alternate Years)	MAR. (Alternate Years)	2019/2020 National Policies & Benefits Survey*	● FREE ● \$495	● \$295 ● \$990
JAN. 10, 2019	FEB. 22, 2019	MAY	NEW! ONE QUESTIONNAIRE: 2019 National Executive Compensation Survey*	● FREE ● \$495	● \$295 ● \$990
			2019 Benchmark Compensation Survey	● FREE ● \$990	● \$590 ● \$1980
MAR. 12, 2019	APRIL 19, 2019	JUNE	NEW! 2019 Healthcare Compensation Survey	● FREE ● \$495	● \$295 ● \$990
MAR. 19, 2019	APRIL 26, 2019	JULY	2019 Industrial & Production Trades Survey	● FREE ● \$495	● \$295 ● \$990
MAY 14, 2019	JUNE 21, 2019	SEPT.	2019 National IT & Engineering Compensation Survey*	● FREE ● \$495	● \$295 ● \$990
JUNE 4, 2019 (Alternate Years)	JULY 12, 2019 (Alternate Years)	AUG. (Alternate Years)	2019 Health & Insurance Benefits Survey	● FREE ● \$495	● \$295 ● \$990
JUNE 25, 2019	JULY 26, 2019	SEPT.	2019 Compensation Trends Survey	● FREE ● \$495	● N/A ●
JULY 16, 2019	AUG. 23, 2019	NOV.	2019 National Sales Compensation Survey*	● FREE ● \$495	● \$295 ● \$990
AUG. 1, 2019	AUG. 30, 2019	SEPT.	2020 Holiday Practices Survey	● FREE ●	● N/A ●
SEPT. 4, 2019	SEPT. 27, 2019	NOV.	2020 National Business Trends Survey*	● FREE ●	● N/A ●
Compiled Survey	N/A	DEC.	2020 National Wage & Salary Survey *▲	● FREE ● \$495	● \$295 ● \$990
NOV. 5, 2019 (Alternate Years)	DEC. 13, 2019 (Alternate Years)	FEB. 2020 (Alternate Years)	2019/2020 Nonprofit Compensation & Benefits Survey	● FREE ● \$495	● \$295 ● \$990

*An Employer Associations of America (EAA) sponsored survey which includes national and state-specific data when sufficient to report.

MRA's website reflects the most up-to-date survey schedule.

All prices are plus applicable sales tax and are subject to change.

MRA Surveys are not to be used commercially or for any purpose other than those that pertain to the internal planning of the purchasing/participating organization.

▲ Data submitted to MRA's Industrial & Production Trades and Benchmark Compensation Surveys will be submitted to the National Wage & Salary Survey. Member participants will receive the final report for free.

LEARN MORE ABOUT SURVEYS AT WWW.MRANET.ORG/SURVEYS



THE SURVEY SAYS ...

Rely on MRA's reputable survey results to make accurate data-driven decisions. Get the latest compensation reports; pay, benefits, and business trends; hot topics and more.

HOT TOPICS

As topics bubble up from our members, we are able to quickly turn around a hot topic survey and get the pulse on critical issues affecting our members.

Timely and emerging topics covered this past year included:

.....
Compensation Besides Base Pay

.....
Opioid Epidemic

.....
Sexual Harassment in the Workplace

.....
Hiring Interns

.....
Top Talent

CUSTOM SURVEYS and BUSINESS RESEARCH

Good business decisions require specific answers to your tough questions. Designed around your unique needs, MRA's custom survey and business research team offers careful planning and execution, expert research and analysis experience, and reduces your time and risk of anti-trust concerns by conducting third-party research.

Surveys or services include:

.....
Compensation and/or Benefits

.....
Customer Satisfaction

.....
Employee Satisfaction

.....
Competitive Intelligence

.....
Business Practices

**You have tough questions, we can provide the answers with accurate survey data.
Contact MRA's survey experts at 800.488.4845 x3508 or surveys@mranet.org.**

TOTAL REWARDS for a TOTAL PACKAGE

Get and keep your best talent by ensuring you have the competitive compensation advantage.
With MRA's Total Rewards team working for you, you will have that competitive edge!

.....
Create compensation plans to maximize your ROI

.....
Use data to align your business, workforce, and reward strategies

.....
Build a comprehensive business case to align with your business strategies and performance

Talk with an MRA Compensation and Benefits Expert to find out if your Total Rewards are competitive in the talent marketplace. Call 800.488.4845 or email MemberRelations@mranet.org today.



MRAPay – one more outstanding member benefit of participating in MRA Surveys! This comparative tool allows organizations to see how their salary relates to MRA's credible, current, and high-quality data. **Membership and survey participation** are the exclusive member benefits giving you access to **MRAPay!** It is available for these surveys:

- Industrial & Production Trades Survey
- Benchmark Compensation Survey
- Nonprofit Compensation & Benefits Survey

HOW TO ACCESS

- Log in at www.mranet.org to access your dashboard
- Click on Surveys in the gray banner
- Find desired survey under View Survey Reports
- Click MRAPay

Note: Survey data is protected and only available to authorized survey users

HOW TO USE

To begin, determine the job you wish to report on:

- Select a job from the drop down list
- If you'd like to select more than one job and merge the data from two, select **“Merge employees from additional job”** and select the second job
- Click **“Done adding jobs”**, once you have selected your job(s)

Note: You may merge the data from a maximum of two jobs. Merging the data is a blending, not weighting of the data.

Select any and all demographics you'd like to report on:

- Make multiple selections by checking any/all check boxes
- Numbers in the parentheses refer to the # of companies and employees available for that particular demographic

Your report is generated:

- Data is plotted on a graph as well as shown in the charts below
- Your demographic selections are shown including the # of companies and employees that each represent
- Enter an amount and select **“Show Salary”** to see how your organization's data compares to MRA's
- Your data point is plotted against the data set within the MRA survey and is shown as a triangle on the graph
- To export and save, simply click the **“Export to PDF”** button located at the top of the page

Hover over the question mark icon to see what each of the lines represent on the graph.

To start again, select **“Run New Report”** at the top of the page

QUESTIONS? CONTACT: MRA's Survey Department

 800.488.4845 x3508

 surveys@mranet.org

 www.mranet.org/surveys

MRAPay Powered by PeriscopeIQ



MRA's

On-Demand Salary Tool

This interactive online tool is available free to MRA member participants and member purchasers of the following:

- Industrial & Production Trades Survey
- Benchmark Compensation Survey
- Nonprofit Compensation & Benefits Survey

HOW TO ACCESS

- Log in at www.mranet.org to access your dashboard
- Click on Surveys in the gray banner
- Find desired survey under View Survey Reports
- Click On-Demand

Note: Survey data is protected and only available to authorized survey users

HOW TO USE

To begin, determine your selection type:

- **Single Cut:** Single selections may be made within the available demographic cuts (one selection per demographic)
- **Multi- Cut:** Multiple selections may be made within the available demographic cuts which allows you to “roll-up” the data
- **Quick Look Up:** Like Single Cut, but with an additional dynamic job selector which will aid in finding the desired job(s)

Tips:

- To select multiple cuts of data, hold down the control key
- Only five job selections can be made at a time so that data is processed in an acceptable amount of time
- Click on the “**Search Jobs**” link to search either by job description or job title
- To run a single cut of an entire MRA job family at once, select “**Reports**” in the upper left
 - Click on “**Job Family**” and select the desired MRA job family. This is helpful when you need data for similar types of jobs.

Age Your Data:

- Click the “**Control Panel**” button located at the top of the screen
- Select “**Yes**” and proceed to enter in the “**Aging Percent**” and “**Date**”
- Save your settings

Note: This aging factor will be applied to all reports you run until you change or remove it. The report screen will show a statement at the top, reminding you that you have entered an aging factor to the data.

Export Your Report:

- Reports can be exported to a variety of formats; use the drop down menu to select the format that you need
- Click the “**Export**” button next to the drop down

QUESTIONS? CONTACT: MRA's Survey Department

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On-Demand Salary Tool Powered by PeriscopeIQ



Compensation Philosophy— Is It Really That Important?



➔ FOR MANY PEOPLE, DEVELOPING A COMPENSATION PHILOSOPHY RANKS RIGHT UP THERE WITH CLEANING OUT OLD EMAILS—a task we know should be done but always seems to end up at the bottom of the to-do list. If you wait long enough, the IT department usually has set things up so that the oldest emails will disappear. Here’s why it is not a good idea to apply that same strategy to the task of developing your compensation philosophy.

A compensation philosophy is the company’s guiding principle regarding employee compensation decisions. Unlike old emails, your need for a compensation philosophy will not disappear—it will only become more important over

A compensation philosophy is the company’s guiding principle regarding employee compensation decisions.

time. This one or two paragraph statement will provide general direction to compensation professionals and company management when considering decisions such as what market data to align pay to, if and how to design an incentive program, what pay to offer a candidate, or what changes to make to benefit plans. Writing such a grand statement may sound intimidating, but if you know how you pay your employees and when and why you offer pay raises or incentives, you already have a compensation philosophy, or at least the start of one.

Consider the following as you develop your compensation philosophy:

- **How the elements of compensation support the goals of the organization:** “We strive to offer compensation and benefits that are affordable to the business, minimize long-term liabilities, and that are competitive with leading companies in our industry.”

- **What pay considerations will be based on:** “We offer competitive base pay using quality, industry relevant salary surveys with a goal of matching to approximately the market 50th percentile.”
- **How pay will be determined:** “Pay for performance is fundamental to our compensation philosophy. Our program is designed to be fair and equitable, and to reward individuals for performance and contributions to the success of our business.”
- **What elements will be included in compensation:** “Base pay, incentive pay, and benefit offerings will be evaluated on a regular basis to determine their fit with and continued support of the profitability of the organization.”
- **Other elements of the total compensation package:** “As part of our belief in wellness, we will offer a discount on gym memberships and a wellness program designed to encourage a healthy lifestyle.”

The broad language of the compensation philosophy will guide fundamental decisions and encourage consistency in these decisions. Does the company monitor the market to guide pay decisions? If so, where do they position themselves in the market? Is affordability a main consideration or is it more important to pay top dollar for the best talent regardless of cost? What elements are included in the company’s definition of compensation? What about the criteria for pay increases—strictly market based or is there a performance element? Are there any company culture or mission priorities that should be highlighted in the compensation philosophy? Thinking about your company’s compensation philosophy, putting it in writing to share with employees, and reviewing it periodically to be sure it still is reflective of the company’s values and principles will give you a strong foundation for making compensation decisions.

As it turns out, a compensation philosophy really is that important, so if you’re tempted to regard it like cleaning out

This is the first of a three-part series of articles focused on compensation and salary surveys designed to launch and reinforce your journey through:

- Leading candid discussion and succinct documentation of your organization's compensation philosophy, or reviewing what you already have in place;
- Understanding the importance of using reliable data to make informed business decisions impacting company costs and employees' pay; and
- Staying current in the use and application of credible data for compensation needs at your organization.



old emails, we strongly encourage you to reconsider. Tackle it now—you'll be glad you did!

Stay tuned for next month's article: "Survey Data—Lots of Numbers, Which One Do I Need?"

MRA's Total Rewards team encompassing Compensation, Surveys and Benefits is here to partner with you regarding the essential steps for a comprehensive Total Rewards approach. 🌱

By Jane Crane
Compensation Specialist
Jane.Crane@mranet.org



Compensation Survey Data— Lots of Numbers, Which One Do I Need?



LAST MONTH WE EXPLORED THE CONCEPT OF A COMPENSATION PHILOSOPHY and why it is an important guide to an organization. This month we are looking at survey data. Next month we'll tie things together by looking at how a compensation philosophy influences what specific survey data will be useful to an organization.

You've participated in surveys, bought the report (or received one from MRA as part of your membership), and are now the proud owner of a treasure trove of data. Is it a pot of gold or the data equivalent of your kitchen junk drawer? Actually, the answer could be either—depending on how you use it.

THE NUMBERS

Salary surveys typically contain a lot of information expressed in numbers such as average, weighted average, market 25th percentile, market 50th percentile (also known as the median), and market 75th percentile. All of these numbers work together to help you develop a picture of the market rate for a job.

Start with the market 50th percentile data point, the rate that falls in the middle of the set of reported rates which are sorted from highest to lowest. This measure of central tendency, rather than the mean or average, eliminates very high and very low numbers that can skew the results. Many compensation professionals use this data point to evaluate survey findings.

Next, look at the average. If it is drastically different from the market 50th percentile, this indicates that the data set contains some extreme high or low values, making the market 50th a better representation of the market pay for the job, especially if the sample size is relatively small.

Why should you also look at the market 25th and market 75th percentile values? If they are close to the market 50th, this tells you that there is not much variation of pay in the market for that job. If your organization establishes a range for a job with the midpoint at the market 50th percentile, you will likely have a hard time recruiting someone by offering a rate at the bottom of the range if the market 25th, 50th, and 75th are very close together.

This is the second of a three-part series of articles focused on compensation and salary surveys, designed to launch and reinforce your journey through:

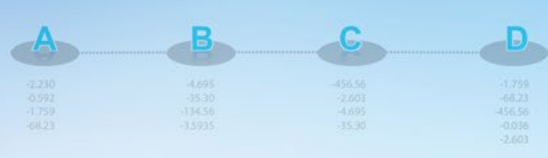
- Candid discussions and succinct documentation of your company's compensation philosophy;
- Reviewing your company's existing compensation philosophy;
- Using reliable data to make decisions impacting company costs and employee pay; and
- Applying current, credible data for compensation decisions.

Finally, consider your sample size. Surveys generally provide the number of companies and the number of incumbents reported in each scope cut. A large sample size will give you numbers that are less likely to be influenced by a few unusual rates in the reported data. Sample size isn't the only consideration, though. Next month we'll discuss other important factors in survey data: "Matchmaking and the Market."

MRA's Total Rewards team encompassing Compensation, Surveys, and Benefits is here for you to create your strategy, build the business case, interpret data, conduct custom research, or facilitate and partner regarding many other essential steps for a comprehensive Total Rewards approach.



By Jane Crane
Compensation Specialist
Jane.Crane@mranet.org



COVER STORY

Matchmaking and the Market



➔ IN FEBRUARY, WE DISCUSSED WHETHER YOU REALLY NEED A COMPENSATION PHILOSOPHY. (Spoiler alert! Yes, you do.) Last month we explored the data contained in salary surveys—how to interpret it and how to decide what numbers to use. This month we tie together a solid base (compensation philosophy) with solid data (salary surveys) and explore the most important and exciting aspect of using market data to make compensation decisions: making solid matches.

THE MARKET

Make sure you have a good understanding of your job's market. When using survey data, consider the size of the sample but don't lose sight of the other elements of the data. While a large sample size waters down extreme variations of a data set, you should also consider the scope cuts of the data. For instance, you may have a United States data point in a survey that shows 300 organizations but if you only recruit in the immediate geographic area, a smaller sample

size in a smaller geographic region is more useful data for you. Consider who you compete with for business. That's also who you compete with for talent, so look at industry scope cuts as well as data from a similar size company by revenue or number of employees. It's a good practice to find several different data points from several different surveys. This will help ensure that the data is solid and representative of the market pay for the job.

THE MATCH

Make sure you are comparing jobs effectively. None of the data in your treasure box of surveys is useful if you are not matching your organization's job to the correct corresponding survey job. A basic compensation guideline is that there should be at least a 70% match between your job and the survey job responsibilities. Take time to understand the job in your organization by reading the job description, talking to supervisors who oversee those in the job, or even

those who are currently performing the job. You need a general overview of the job regarding the type and level of responsibility, not all of the details. The jobs generally found in surveys are “benchmark jobs”—those that are fairly common and comparable in terms of type and level of responsibility across companies. Even for benchmark jobs, however, don’t rely on title alone: always read the survey description to be sure you are making a good match. Many surveys also include more specific jobs that relate to a particular industry or type of responsibility. Sometimes a job in your company will be a combination of two or more survey jobs. In this case, you must decide on your approach. You could match to the survey job that represents a larger part of the responsibilities or you could match to both/all of the survey jobs that are a significant part of your job. This is where the “art” of market matching comes in.

A WORD ABOUT CROWD SOURCED DATA

In addition to salary surveys that are conducted and published in accordance with the Safe Harbor Guidelines issued by the Department of Justice and the Federal Trade Commission, HR professionals now have access to “crowd sourced” salary data from internet sites. Unlike the typical salary survey, crowd sourced data is self-reported, often anonymous, and available to anyone with access to the internet. Additionally, some data has been purchased by companies who then aggregate several surveys, resulting in “averages of averages”, getting further and further away from the actual source of data and meaningful numbers.

Make sure you are comparing jobs effectively. None of the data in your treasure box of surveys is useful if you are not matching your organization’s job to the correct corresponding survey job.

While crowd sourced data sites may offer a quick answer to how much a job supposedly pays, the data is not verifiable nor can you be sure it was submitted by a company professional who has carefully matched their job to the survey job. Since employees have access to this type of data, you may want to check these sites to see what is being reported. However, if you use crowd sourced data at all, the

This is the last of a three-part series of articles focused on compensation and salary surveys, designed to launch and reinforce your journey through:

- **Candid discussions and succinct documentation of your company’s compensation philosophy;**
- **Reviewing your company’s existing compensation philosophy;**
- **Using reliable survey data to make decisions impacting company costs and employee pay; and**
- **Applying current, credible survey data for compensation decisions.**

best practice is to use it in conjunction with the solid, reliable and credible data you have from published salary surveys.

Survey data is an important source of information when determining market rates for your jobs. Used correctly, it will give you a competitive edge in the market and help you attract and retain the right employees with the skills and values that will strengthen your organization and help your organization move successfully into the future. 📈

MRA’s Total Rewards team encompassing Compensation, Surveys and Benefits is here to help you create your strategy, build the business case, interpret data, conduct custom research, or partner on many other essential steps for a comprehensive Total Rewards approach.

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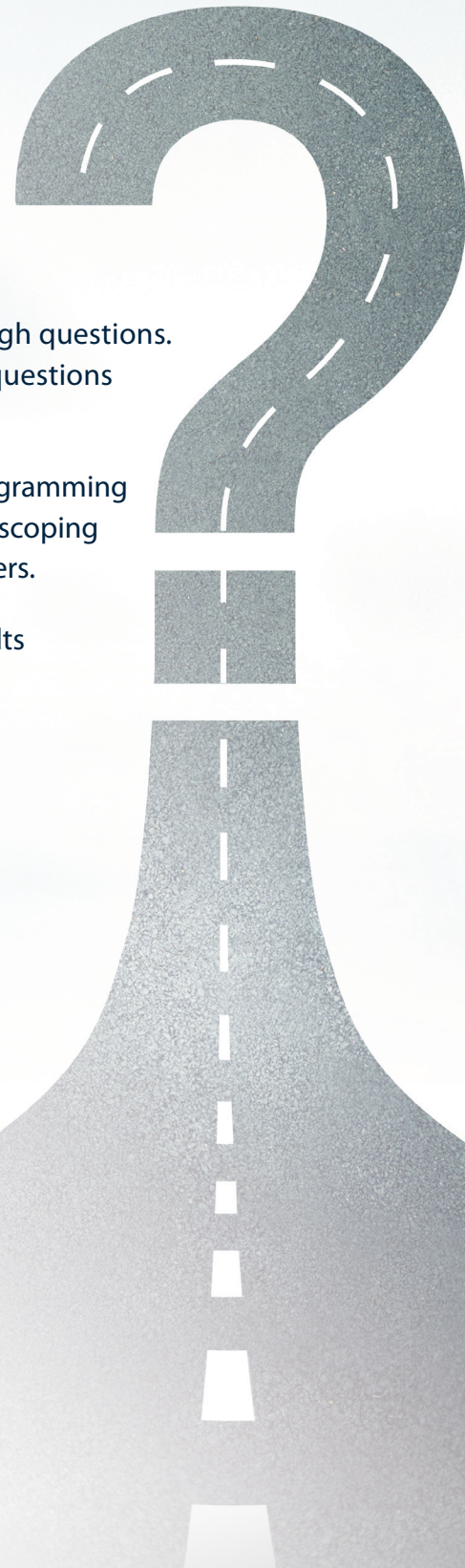
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