

Description: This week, we've got two compensation experts to answer your questions! MRA's Katie Laven, Compensation Business Partner, and Brandon Lafferty, Compensation and Affirmative Action Data Analyst, team up to talk all-things compensation, including salary structure, pay transparency, pay compression, total rewards, recruiting and retaining talent, and more!

Listen to Discover:

- Review your salary structure often! Especially in a volatile market right now, it's important to go in and review often. People are doing it every year right now. In a calmer market, we see every 2 years, occasionally 3.
- Use reliable data when gathering that market data. And when you're evaluating equity again, the external side, the market data—use those survey sources that are reliable and then internally keep an eye on the internal equity as well.
- Communicate, communicate, communicate. Education and communication of why and what you're doing with compensation as an organization is important for employees to feel comfortable with their own compensation.

Transcript:

Transcripts are computer generated -- not 100% accurate word-for-word.

INTRO | 00:00:00:02 - 00:00:23:03

Hello hello, everybody, and welcome to 30 minute THRIVE, your go-to podcast for anything and everything HR, powered by MRA - The Management Association. Looking to stay on top of the ever-changing world of HR? MRA has got you covered. We'll be the first to tell you what's hot and what's not. I'm your host, Sophie Boler, and we are so glad you're here. Now it's time to THRIVE.

Sophie Boler | 00:00:23:13 - 00:00:50:07

Well, hello, everybody. I am joined today by MRA's Brandon Lafferty. He's our compensations and affirmative action data analyst, and Katie Laven. She's our compensation business partner from, and they're both from our Minnesota offices. So it's great to have you guys here, even if it's virtual. But welcome you two. I'm excited to talk to you about compensation and benefits.

Sophie Boler | 00:00:50:16 - 00:01:19:01

This is a topic that I think everyone is very interested in hearing about, especially now. Now's the time, with open enrollment going on, and it's really just a good time to start addressing these, these things. But in our MRA's Compensation Trend Survey, there is a lot of talk about different ways to compensate employees. And something else we hear quite a lot that is that it's not a benefit unless your employee thinks it's a benefit.

Sophie Boler | 00:01:19:09 - 00:01:51:12

And Katie, you actually spoke at our conference event this year, too. So let's talk compensation based on MRA's recent CompTrends survey, companies are actually projecting higher than normal base pay increases in the coming year. So for the past 3 to 5 years, the average increase has been around 3 percent. But this year, we're seeing a projected increase in the next 12 months to around a 4 percent increase all across employee groups.

Sophie Boler | 00:01:52:04 - 00:02:09:03

And we've also heard that some companies are planning an even greater increase, which is huge. So, Brandon, do you want to really kick us off and could you tell us a little bit more about what you do and how you can help a company create a competitive compensation strategy?

Brandon Lafferty | 00:02:10:02 - 00:02:29:20

Sure. Thanks, Sophie. As you mentioned, I'm a compensation, kind of data analyst on our side. So I do a lot of the market pricing work, help out kind of on the back end of a lot of our projects, put together analyses and spreadsheets, kind of just work on work with our directors on the back end of any member projects.

Brandon Lafferty | 00:02:30:19 - 00:02:51:17

But yeah, to create a competitive compensation strategy, there's a number of steps you kind of have to go through and we always recommend that first step is to establish some sort of compensation philosophy or have some, have some guidelines around what you want your compensation strategy to actually look like. So that could be how do you actually want to pay?

Brandon Lafferty | 00:02:51:18 - 00:03:11:14

Are you trying to pay exactly what the market looks like at that 50th percentile? Are you maybe a nonprofit that can't quite meet what the market always is, so you're lagging a little bit behind, but you make up to you make up for it with benefits or something like that? Or are you trying to pay like other competitors that are in the same geographic area as you?

Brandon Lafferty | 00:03:11:14 - 00:03:41:08

So you kind of want to establish that philosophy first and foremost as to how you're looking to pay, and that kind of, that drives the rest of setting up the compensation strategy. So from there, we recommend that you go through and actually do the market pricing of all the relevant jobs within your company, within your organization. And that is, on our end that's where we come in and really dive deep into the compensation salary surveys that we purchase.

Brandon Lafferty | 00:03:41:16 - 00:04:09:06

And we say, all right, you have a senior accountant position. What do senior accountants make in this given region based on the surveys that we purchase? So we go through all of the jobs looking up that market pricing data to say, "This is what the market pays for all of your job titles." And then from there, we kind of create like a structure or assign pay grades or bands to the different positions that you have in your company.

Brandon Lafferty | 00:04:09:06 - 00:04:30:16

So you're kind of looking at that market data and you're saying, all right, these specific jobs, they all kind of align with similar market data. We're going to put them into pay grade 10, something like that. So you're kind of putting together a structure where, you know, you have an outline for new positions that come up. You have this structure that is easier to maintain.

Brandon Lafferty | 00:04:31:22 - 00:04:59:20

So you're going through that process and then you can kind of look at how employees fit within that structure at the end. So there might be some employees that are making kind of towards that top end of a pay range or a pay grade, some towards the bottom end. And you want to look at those employees and say, "All right, why are they at one end or another of the range?" and kind of make recommendation as to how as to get people as close to aligned as possible within all of those grades.

Brandon Lafferty | 00:05:00:09 - 00:05:27:22

And then so that market pricing piece is really looking at external equity or repaying fairly among the marketplace among similar organizations to ours. And then you can look also at the internal equity portion of it. So am I paying fairly among similar like jobs within my own organization? So obviously lots of different pieces of it. But you know, you kind of got to touch every piece when putting together that competitive strategy.

Sophie Boler | 00:05:27:22 - 00:05:45:18

For sure. And I mean, you covered a lot there. So it seems like you guys have busy jobs, always keeping busy. But I'll leave this next question open to either of you. So feel free to chime in. But shouldn't organization really have a salary structure in place? And why should they or shouldn't they?

Katie Laven | 00:05:46:04 - 00:06:06:14

I can take that one. I think it really kind of goes back to what Brandon was outlining in the last question. And having that salary structure is going to give you that baseline and it's going to help you with a lot of decisions that you have to make within your organization. So once you have that overall structure, it allows you to be flexible.

Katie Laven | 00:06:06:14 - 00:06:41:14

It allows you to make analysis of the internal equity with your positions, and also it helps you compare to the external market. You can really see what types of increases you need to give your individuals that can help you support budgeting, cost controlling, and then making sure everything's equitable as well within your organization. In tandem, as well, it can also help support education for your management and your employees and how you're making those decisions and have that justification.

Katie Laven | 00:06:41:14 - 00:06:48:18

So it's really a great baseline for you to make a lot of decisions within your business.

Sophie Boler | 00:06:50:01 - 00:07:00:03

Absolutely. And so we talked about having a grade salary structure in place, but how can an organization adapt with the changing market?

Brandon Lafferty | 00:07:00:22 - 00:07:24:08

Yeah, great question. I know you talked at the beginning that budgetary recommendations or estimates are kind of changing. The last 3 to 5 years is at 3 percent. It's kind of bumping up. So I think it's important to look at when the last time your structure was updated, has it been a couple of years? Was budget tough during the pandemic and you weren't able to increase your structure the way you wanted to?

Brandon Lafferty | 00:07:24:19 - 00:07:46:18

So I think looking at, all right, when was our structure last reviewed and does it make sense with the changing market that we need to review it again right now? This I mean, when you're changing that structure, it kind of helps adjust the range. As you mentioned that 4 percent, if I increase my salary structure by 4 percent, you're expecting the market data for the positions that we have to also go up around 4 percent.

Brandon Lafferty | 00:07:47:05 - 00:08:08:14

That allows you to keep the job title and the market data kind of in line with your salary structure. So especially in a kind of a volatile market right now, I think it's important to go in and review often. People are doing it every year right now. In a calmer market, we see, you know, every 2 to years mostly, occasionally 3.

Brandon Lafferty | 00:08:08:14 - 00:08:17:03

But right now, I think people are understanding that it's important to look at it every year. So people seem to be, you know, kind of focusing in on it pretty frequently right now.

Sophie Boler | 00:08:17:09 - 00:08:31:08

Absolutely. I think it's important to stay up to date on that. But Katie, could you share your insights on how an employer can begin to establish what is really the best increase for their organization, specifically?

Katie Laven | 00:08:31:08 - 00:08:53:16

Yeah, I think that, you know, like Brendon mentioned, you want to look at the salary data and what is out there from a market perspective but you also really need to look at what your organization can really manage financially. How does your budget as an organization fall into that? What are your competitors doing? Where are they paying as well?

Katie Laven | 00:08:54:05 - 00:09:25:10

And that might vary depending on what industry you're in. It might vary even within your organization. You might have a specific area of your organization that there is more competition for talent. So again, that structure, as we were talking previously, can really provide those parameters and give you that flexibility of where you need to adjust. But overall, from a structural standpoint, you really need to make sure that you're also looking at kind of what Brandon mentioned earlier, too, is your compensation philosophy.

Katie Laven | 00:09:25:17 - 00:09:55:09

Where do you want to be in relation to that market data that you're looking at? Is it leading, lagging? Are you at market? So all of those things are going to really come into play on deciding what increase you're going to make. If your business is maybe and a little bit shake your ground or if you're not quite sure what's going on, you might not want to move that structure as aggressive early as in years when it is probably doing a little bit better.

Katie Laven | 00:09:55:09 - 00:10:15:01

If you are doing pretty financially solid, you maybe want to bump it up a little bit more just to offset those shaky years. But you really do want to be careful that you're not lagging the market too much because that just makes it kind of that uphill battle consistently if you if you don't keep up with it.

Sophie Boler | 00:10:15:21 - 00:10:46:20

Absolutely. And we've been talking about salary the past couple of questions, but we know that salary is just one part of the equation of compensation. But it is really the key question and key component. And we also know that there's a lot of challenges for employers. The competition is intense for labor. And we're looking at labor shortages, and we've talked about this and some past podcasts too, but the need to offer good wages as well as remote work or some big factors as well.

Sophie Boler | 00:10:47:07 - 00:10:54:17

So Brandon, could you comment on how companies can recruit and retain employees with all of these challenges going on right now?

Brandon Lafferty | 00:10:54:20 - 00:11:15:22

Yeah, and I think you touched on it. Salary is often what we see as the biggest factor. Obviously, there are the other components as well, but base salary is really what everybody's kind of looking at. They want to know how much they're going to get paid. But I think in addition to that, you can really you can get a lot by asking your employees what they're looking for and what they want.

Brandon Lafferty | 00:11:15:23 - 00:11:36:03

I think a lot of times organizations just kind of say, we think this would be a good benefit for our employees, but they don't take the time to maybe survey their employees to look at, you know, maybe what the organization thinks that the employees want doesn't actually line up with what people, what people are looking for. And that can be, you know, a generational thing.

Brandon Lafferty | 00:11:36:03 - 00:12:00:05

It can be a location thing if you're in a different location as the headquarters, anything like that. So I think it's important to ask your employees what they're looking for. I think also looking at critical positions within the company, too, like we have seen IT in particular has the market data for it has gone up more than other lines of lines of business in the last couple of years.

Brandon Lafferty | 00:12:00:13 - 00:12:26:08

So I think it's important to know all right, right now IT is tough to find talent for. So maybe spend a little bit more resources on the recruiting and retention in that job function in particular. So knowing where you need to recruit and where kind of the pain points are with recruiting in a market and then educating your employees, letting them know what availabilities are out there, what benefits are available to people.

Brandon Lafferty | 00:12:26:16 - 00:12:49:00

And companies really are starting to have to kind of branch out too. So maybe recruiting is really tough in Waukesha. I need to branch out and look for employees in other states, other parts of the country. And that's an important thing to think about too, because depending on the city you live in, depending on the market, that the going rate for a senior accountant might be different in these two different states.

Brandon Lafferty | 00:12:49:00 - 00:13:11:16

So I think companies also really take into account a geographic differential. If I had an employee in San Francisco, I'm obviously going to need to pay that person probably quite a bit more to do the same job that I'm doing here and in Minnesota or in Wisconsin. So I think kind of all of those factor into it. And then with all of that, a lot of that is focused on recruiting.

Brandon Lafferty | 00:13:11:16 - 00:13:34:11

But the retention part, you can't forget about your existing employees too. So like, what benefits can I give to them? How does how do these changes with recruiting this new talent? Maybe I'm paying these people a little bit more to come in. How does that then impact my current employees? So yeah, kind of all of those things that you're working.

Sophie Boler | 00:13:34:11 - 00:13:56:16

For sure. I think what you said about just talking to your employees is a trend that I've seen on our podcast episodes. I mean, it's like, what do your employees want? Talk to them, what are they interested in? And making it a very individual process too; not everything is going to work for everybody. But with these higher wages being offered to new hires,

Sophie Boler | 00:13:56:16 - 00:14:04:22

we're also hearing about pay compression. So, Katie, do you have any recommendations for how an organization can work through this issue?

Katie Laven | 00:14:04:23 - 00:14:28:12

Yeah, it goes really back and we are being a little bit redundant here, but it goes back to that salary structure that is again going to give you that that baseline and give you that overarching structure to see where everyone is sitting from your existing employees and where you're bringing in those new employees. So you can really determine where are we having those compression issues?

Katie Laven | 00:14:29:17 - 00:14:52:20

Another piece of that is people historically have looked at that pay is kind of the thing you don't talk about, right? Or that they're assuming employees aren't talking. Well, the fact of the matter is, they definitely are. And people are doing more research. There's more data available on the Internet as well of what is out there from a salary perspective.

Katie Laven | 00:14:52:20 - 00:15:17:07

So compression is definitely something that you need to be mindful of and pay equity in place with that. So when you're looking at those compression issues, you really want to make sure that you are focusing on those existing employees as well and getting them where they need to be within that internal equity and structure. And that might take a year or two.

Katie Laven | 00:15:17:07 - 00:15:46:12

You maybe need to have a little bit of plan in place from a budgetary perspective, again, based on whatever is going on in your organization. And it might be something you have to do outside of your regular performance merit cycle. It might be something that you're doing as a market adjustment or an off-cycle adjustment. And again, it might be something you have to check out over time, but you want to make sure you're addressing it is something you can't just turn a blind eye to and think that it's going to kind of solve itself over the course of time.

Sophie Boler | 00:15:46:23 - 00:15:59:18

Absolutely. And Katie, you kind of touched on this in your last point. But Brandon, if you have anything to add, what role does pay equity play in pay decision and how do companies evaluate internal pay equity?

Brandon Lafferty | 00:16:00:15 - 00:16:25:16

Yeah, yeah. And we've talked at length already about the external side. The external pay equity: How are we comparing to the market with our pay? But that internal side, you really want to make sure people are being paid fairly within the organization kind of can come a different a couple of different ways. You can look at the salary bands and you say, are there people paid pretty similarly if their pay grade 10 within our range.

Brandon Lafferty | 00:16:26:00 - 00:16:48:11

But another part of it that we're seeing more and more members touch on is like an actual pay equity analysis, which looks at protected groups, women, people of color, people with disabilities—those kind of groups and say, and kind of chunk people into those groups and say, all right, do the women in our organization, how are they being paid compared to men in similar positions?

Brandon Lafferty | 00:16:48:20 - 00:17:19:05

So we do lots of these pay equity analyses as well, and a good example is we look at a specific kind of job group within the company—let's say it's like first line managers, supervisors—and we say, all right, I'm going to compare what the pay rate is for men versus women in that small group. And we might see that they make similar amounts, but within when factoring in the pay grade, it looks like men do make significantly more than women.

Brandon Lafferty | 00:17:19:05 - 00:17:39:12

So we look at, again, women and we look at racial groups. We look at disability status, veteran status when kind of factoring that in. And once you, a lot of times you do find some surprising points to say, all right, among our individual contributors, there is significant pay differences among men and women, like, why is that going on?

Brandon Lafferty | 00:17:39:20 - 00:17:57:14

You can break it out by location. You can look at, all right, it's only in this one office. It's not in all of our offices. And then we can put together an employee impact report, which looks at all right, we break employees into how long have they been in their job, how long have they been in the company? What's their age?

Brandon Lafferty | 00:17:57:20 - 00:18:17:03

Maybe somebody is making way more. We're on the high side of a range, but they've only been in the job under a year, only been in the company under year, and they're a young person. So you as internal HR would look at that and say, all right, why is this person making the higher end of the range when they haven't been in the company that long?

Brandon Lafferty | 00:18:17:03 - 00:18:34:03

They don't have as much experience. And that might be something that you want to look at when considering the pay equity portion. But yeah, just important to look at those protected groups and see within the company across different groups and locations are there significant pay differences between these groups of our employees?

Katie Laven | 00:18:35:08 - 00:18:50:04

I would say, too, this is an area where we're seeing expanding legislation and increased scrutiny. So it's something that is becoming more and more prevalent and organizations really need to be aware of.

Brandon Lafferty | 00:18:50:05 - 00:19:00:12

It's a newer offering that we even have within MRA, and since we started offering it, people are, people seem to be jumping on it. We're already starting to do some renewals. So definitely increasing.

Sophie Boler | 00:19:00:12 - 00:19:23:18

So keeping you busy. Well, while we know that base pay may help attract talent, they also talk a lot about total compensation as a significant factor in fostering an employee's commitment. So what are some common options that companies should consider? I mean, we know that from the survey, one of the most common solutions is variable or incentive pay.

Sophie Boler | 00:19:24:02 - 00:19:28:03

So, Katie, do you want to take this one and explain it a little bit further?

Katie Laven | 00:19:28:17 - 00:19:53:04

Yeah. So total compensation really is something that you want to highlight with your employees, but you have to be mindful of how you're communicating that. And when we're talking about total comp that's really looking at your base pay, which is probably something that employees really look at the most closely, and we as well from a market perspective are going to look at most closely.

Katie Laven | 00:19:53:15 - 00:20:26:18

But it's also incorporating those incentives. It's bonuses, it's any benefits, PTO, anything essentially the company is paying for, for you could be considered your total compensation package. But really, when you're looking at it from an organizational standpoint and how do I be competitive right in this market, you really need to look at and make sure you've got that base pay first and foremost in alignment, because if you don't have that, all the other stuff is, it's on top of, right?

Katie Laven | 00:20:26:18 - 00:20:56:21

It's not guaranteed and it's going to vary so much significantly depending on what organization you're in and how those plans are set up. The other piece with incentives is a lot of employees don't typically probably understand the complexity of that. And if they even do get those incentives, sometimes they don't understand that usually it's not guaranteed, but they come to expect that it's guaranteed.

Katie Laven | 00:20:56:21 - 00:21:18:21

So that's where we see a lot of retention issues or dissatisfaction with employees. So again, it goes back to make sure you educate your employees. If you do have those incentive plans or those bonus plans, how do they work? How does that play into their total compensation package so that they really understand how can they be successful with those incentive plans?

Katie Laven | 00:21:18:21 - 00:21:26:13

What is driving that? How does that work for the employee and also for the organization and really articulating that with them.

Sophie Boler | 00:21:27:09 - 00:21:35:16

So how about some uncommon options? What are some things that employers are doing differently with their benefits?

Brandon Lafferty | 00:21:36:01 - 00:22:14:00

Yeah, we've seen people focus on a number of different things, especially in these last couple of years. I think health benefits, people are looking at expanded health benefit options, low-cost options, low-deductible options, changes in paid time off or sick time and 401(k) options obviously are people love to have an option for 401(k). And again, the biggest way to find out what employees want, you know, with anything, survey them, ask them as we've talked about. I think companies really tend to be focusing on health disparities, too.

Brandon Lafferty | 00:22:14:00 - 00:22:43:03

So health disparities among racial groups, among LGBTQ employees, among disability status. So looking at what health options can we provide to groups that historically have had maybe bigger health disparities and kind of focusing on those things. Some unique things that we've seen too are we've seen people add additional holidays. We recommend sometimes that you give your employees your birthday off or your work anniversary.

Brandon Lafferty | 00:22:43:22 - 00:23:17:06

We've seen some employees shifting around holidays. If you can't add an additional holiday, some companies have MLK Day off in February now. And we have seen people recommend changing that over to having Juneteenth off. People like having a day in the summer. So kind of looking at changing up those as well. Also a flexible schedule hasn't really become too popular yet, but people are exploring the flexible schedule option where you just work 4 days a week and the reduction of hours doesn't impact salary.

Brandon Lafferty | 00:23:17:06 - 00:23:35:13

So kind of all sorts of things that people are still looking at. Indigenous Peoples Day versus, you know, branding as Columbus Day, pet insurance, all of those kind of unique benefits that are out there. You know, again, ask your employees what they want and is it worth bringing in those new benefits to retain that talent?

Sophie Boler | 00:23:36:15 - 00:23:56:01

I think we're definitely seeing employers turn on their creative mode right now. But another important issue that we probably should talk about today is inflation. So do you have any recommendations for how employers can help their employees with inflation? And, Katie, I'll let you take this one.

Katie Laven | 00:23:56:16 - 00:24:26:08

Yeah, this is a question that continues to pop up and we hear quite a bit about and it is really helping your employees and probably your leadership as well understand that there's a difference between your salary and the cost of labor versus the cost of living and inflation. And, you know, we've had ups and downs throughout our economic lives.

Katie Laven | 00:24:26:08 - 00:24:56:11

And with that, they have been tied at times to a similar amount, but typically they are not going to be the exact same. They are two separate things. We are seeing organizations still do stuff to offset that inflation because it is hard for employees. Their paychecks are really not stretching quite as far as they were before, but that might mean an increase to their salary.

Katie Laven | 00:24:56:17 - 00:25:22:04

If you are doing those types of inflation increases, you need to make sure you're really helping them understand that this might be a unique one-time increase and that their salary increases typically are not going to be tied to that inflation or cost of labor. Some other unique things you know, we just talked about benefits that we're seeing organizations do instead of those salary increases

Katie Laven | 00:25:22:12 - 00:25:47:07

is giving other types of adjustments, like that might be additional time off, it might be gift cards for gas or groceries—some of those things that we're having trouble, you know, making that paycheck stretch. So it might be some other perks versus just salary increases. I think with it, again, it really goes back to messaging and making sure that your employees understand the difference between those two things.

Katie Laven | 00:25:47:07 - 00:25:55:02

And if you are doing any of those increases or perks, why and how is that working for them?

Sophie Boler | 00:25:55:02 - 00:26:09:14

For sure. Yeah, and we've covered this a little bit, just touched on it. But I want to go a little more in depth about pay transparency. So Brandon, can you just give us a little rundown of pay transparency and where we're at right now?

Brandon Lafferty | 00:26:10:04 - 00:26:30:20

Yeah, absolutely. I think we've seen there are states out there now that are requiring that you post like a pay grade for a given position and a job posting, and what that pay range is for that grade. It's only becoming more and more common. The transparency, as Katie touched on earlier, you know, employees are talking about it. It's not hidden anymore.

Brandon Lafferty | 00:26:30:20 - 00:26:55:18

It's not a secret. So I think it's only increasing. There are already government organizations like public schools, those kind of organizations where that pay data is already available. I think for companies kind of transitioning to having a more pay transparent, like compensation structure is you really just have to explain why you're making the decisions that you're making.

Brandon Lafferty | 00:26:55:18 - 00:27:23:00

So that's where the structure piece comes in. Having a pretty, you know, established structure allows you to justify why pay decisions are being made. Explaining where you get your data from. You know, "We consult with MRA and they purchase these compensation surveys that get the market data." You can communicate that to your employees and say, "We purchased these surveys that come out every year. In 2022,

Brandon Lafferty | 00:27:23:00 - 00:27:42:06

this is what the market says for this job." And then how does this stuff align with experience? So you can, you know, those people that have been in the positions a long time, they might sit within a different portion of a given pay grade. You might have specific zones set apart for experience in each pay grade.

Brandon Lafferty | 00:27:42:15 - 00:28:11:06

But communicating why two people with the same job title might be making a little bit different amounts because maybe one person has more experience than another. And talk about how often this is reviewed. So again, with how quickly the market is changing, it's good to review this stuff often. Companies are, I think, can be kind of afraid that once they make this stuff public, their employees are going to be unhappy or have questions, and questions are okay as long as you're prepared to answer them.

Brandon Lafferty | 00:28:11:06 - 00:28:20:13

So I think, you know, transitioning towards pay, transparency is good for the employees. So yeah, we recommend it.

Sophie Boler | 00:28:21:15 - 00:28:44:22

Absolutely. We just recently talked to our recruiting manager, Kathy, and she almost said the exact same thing. So, definitely going to be seeing more of that. But like we said, we know in today's world, traditional benefits and compensation strategies are no longer enough to meet the demands of today's workers. So employees also need to be aware of their total rewards.

Sophie Boler | 00:28:45:06 - 00:28:52:04

So Katie, what suggestions do you have on how a company can best share their total rewards with their employees?

Katie Laven | 00:28:52:04 - 00:29:15:10

Yeah, I would say communicate, communicate, communicate. And I feel like a broken record a little bit. We've said that. But you know, we have so many things coming at us these days and we know people only retain how much that they're hearing or seeing. So you have to do it in multiple formats too, would be the other thing that I would recommend.

Katie Laven | 00:29:15:18 - 00:29:46:12

But some ways that employers can really drive that home is provide total compensation statements and a lot of HRIS systems have software built into them that they can create them. We create them here at MRA if people need them. I know some organizations do them in-house, but providing again, that total compensation package that we talked about earlier, really educate employees at all aspects of their career, whether that's in orientation and throughout the onboarding process.

Katie Laven | 00:29:47:06 - 00:30:09:06

Another good time to do it for your existing employees is during annual enrollment. So it doesn't have to be just about your benefits, right? Compensation and all of that plays into it. Helping them understand those incentive plans that we talked about earlier. You can do it through, you know, monthly reminders, email newsletters, if you have town halls—any way that your organization is sharing.

Katie Laven | 00:30:09:06 - 00:30:30:12

Communication, I think is really a way to get that message out and again, doing it in different formats. But you really want your employees to understand all of that work that you're doing as HR professionals and to try and recruit and retain them, that they really understand what's all going into that and see the value that they bring to the organization as well.

Sophie Boler | 00:30:31:16 - 00:30:46:12

Absolutely. And well, it seems like we are running out of time. But can you leave our listeners today with three main takeaways in establishing their best compensation plan? I know it might be hard to name three, but ...

Brandon Lafferty | 00:30:47:20 - 00:31:09:02

Yeah, I think I think we've touched on, you know, all these pieces. But I think the first and biggest component is to have a strategy, philosophy, have some guidelines in place. You're putting together this compensation structure, a whole compensation plan for a reason. What is, what's the long-term goal you're looking you're looking at from this process?

Brandon Lafferty | 00:31:09:02 - 00:31:38:21

Second, I would say use reliable data when gathering that market data. And when you're evaluating equity again, the external side, the market data—use those survey sources that are reliable and then internally keep an eye on the internal equity as well. And then last, Katie touched on it: Communicate, communicate, communicate. I think education and communication of why and what we're doing with compensation is important for our employees, for them to feel comfortable with their own compensation.

Brandon Lafferty | 00:31:38:21 - 00:31:42:09

So just again. Yeah, communicating what we've done and why.

Sophie Boler | 00:31:43:05 - 00:32:08:17

Absolutely. Well, thank you, guys. Again, this has been really informative. Seems like there's so much that goes into planning, compensation and benefits, and we definitely have resources to help with that. So to all of our listeners, make sure you check out MRA, our website or reach out to Brandon and Katie. I'm sure they'd be happy to connect with you, but that is all the time we have for today.

Sophie Boler | 00:32:08:17 - 00:32:30:15

So thank you for joining us virtually. We have linked Brandon and Katie's LinkedIn profiles in the show notes. So like I said, if you have any lingering questions or just want to chat, I'm sure they'd be happy to connect with you. But next week we will be talking about emerging leaders with Courtney Lamers. So be sure to tune in for that.

Sophie Boler | 00:32:31:01 - 00:32:59:01

But thank you again, Katie and Brandon and to the listeners, we will see you next Wednesday.

OUTRO

And that wraps up our content for this episode. Be sure to reference the show notes, where you can sign up to connect for more podcast updates. Check out other MRA episodes on your favorite podcast platform. And as always, make sure to follow MRA's 30 minute THRIVE so you don't miss out. Thanks for tuning in and we'll see you next Wednesday to carry on the HR conversation.