

GETTING STARTED

Total Compensation Quick Start Guide



“Show me the money!” is no longer the default for candidates evaluating job offers or employees considering new opportunities.

You need to go beyond base salary and bonuses to create a total compensation package that addresses the priorities of the current workforce while supporting business needs.

That’s where a total compensation strategy comes into play.

Thinking about creating a compensation strategy or refreshing your current model? **Below are five steps to guide a successful planning process.**

01 Use Data to **Determine Your Existing Compensation Strategy**

Do you pronounce it “dayta” or “dahta?” Either way you slice it, to analyze your current compensation strategy for existing employees, you’ll need to [look at metrics](#). By standardizing data-based decision-making, your People team can accurately measure and reward your employees based on performance.

02 Establish Your **Approach to Salary Transparency**

Whether you choose to publish everyone’s salary, make pay bands visible internally, provide pay ranges and employee benefits on job descriptions, or any combo thereof, [being transparent about your approach](#) will help retain your people and set clear total compensation expectations moving forward.

03 Research Market Rates and the Competition

You can find the average market rate compensation by using job sites like Glassdoor, PayScale, and Indeed.

Researching the competition will take a bit of sleuthing (inspector hat and magnifying glass à la Sherlock Holmes optional). Start by manually checking their profiles on job sites or visiting the “Careers” pages on their websites to learn the pay ranges for open positions. Revisiting those job sites may also show you the most common benefits companies offer for different roles. Note the benefits not listed, and use them for consideration as a part of your benefits and overall total compensation package.

04 Evaluate Your Company’s Budget

This step is where you’ll begin comparing your allotted budget with market and competitor compensation rates to determine if you will offer salaries at, above, or below market value. It’s always helpful to create ranges for your pay bands, including a flexible upper limit. Then ask for executive buy-in, and be sure that budgets can accommodate the necessary flexibility.



05

Decide How Many Employees **You Can Hire or Promote**

Mo money, no problems. At this stage, you know the market rate, what competitors are paying, and how much you can stretch your budget to attract the best talent. Now you need to decide your next steps.

It can be any or all of the following:

- ✓ [Hiring new talent](#)
- ✓ [Promoting existing talent](#)
- ✓ Adjusting compensation across your organization



Ready to Create a Superior Compensation Strategy?

Remember, your compensation strategy isn't 'Set it and forget it!'. Continually revisit your strategy and be willing to adjust it to account for any changes in the hiring landscape, your industry, local laws, and even the economy.

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