



Creating Compensation Ambassadors

Mark A. Szytko, CCP, GRP
January 21, 2015

Mark A. Szytko, CCP, GRP

Mark has over 30 years experience as a compensation practitioner, and has held compensation, benefits and HR systems leadership roles for a number of organizations including Honeywell, Digital Equipment Corporation, Wang Laboratories, Kronos, Comcast and Progress Software.

Mark has extensive experience in all aspects of compensation, including the design, development, implementation and ongoing administration of compensation systems and programs including base pay, variable compensation, sales and executive compensation. Additionally, he has experience in international benefits, mergers and acquisitions and HR systems selection and implementation.



In his role here at Salary.com, Mark drives research on trends in compensation practice and spends most of his time meeting with our customers and other compensation professionals to understand the challenges that HR professionals face in today's market. He speaks on compensation and HR-related topics globally and is a member of the WorldatWork faculty.

Mark holds a Bachelor of Science in Business Administration from Suffolk University and a Master of Business Administration from Western New England College with a concentration in Management Information Systems. He is also a Certified Compensation Professional (CCP), a Global Remuneration Professional (GRP), a WorldatWork Editorial Review Board member, and a recipient of WorldatWork's Lifetime Achievement Award.

We're BACK!!

salary.com™



“If it were up to me...”

“My hands are tied!”

“HR made me do it!”

Couple of questions



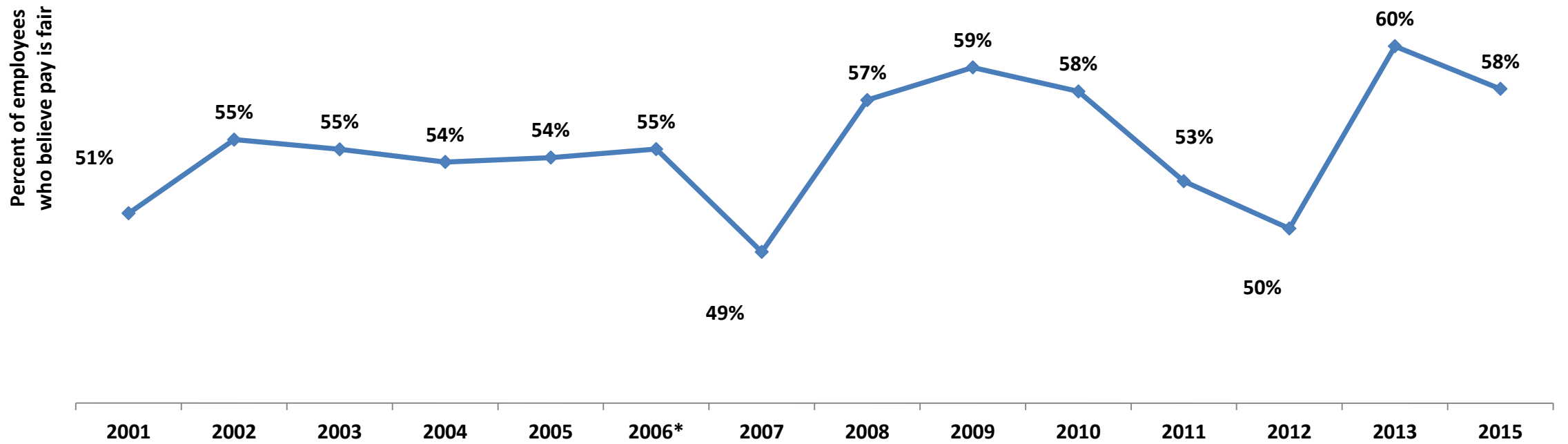
1. How many of you ALWAYS wanted to be a Compensation Professional?
2. Before getting into HR, how many even knew the function existed?

What do our managers and employees know about Compensation?



messenger
vs.
ambassador

Pay fairness over time



REALITY

- **Aligned to the market (median)**
- **Equitable across similarly situated employees**
- **Compliant with relevant statutes**



friends & family
coworkers
articles/publications
the internet
corporate culture

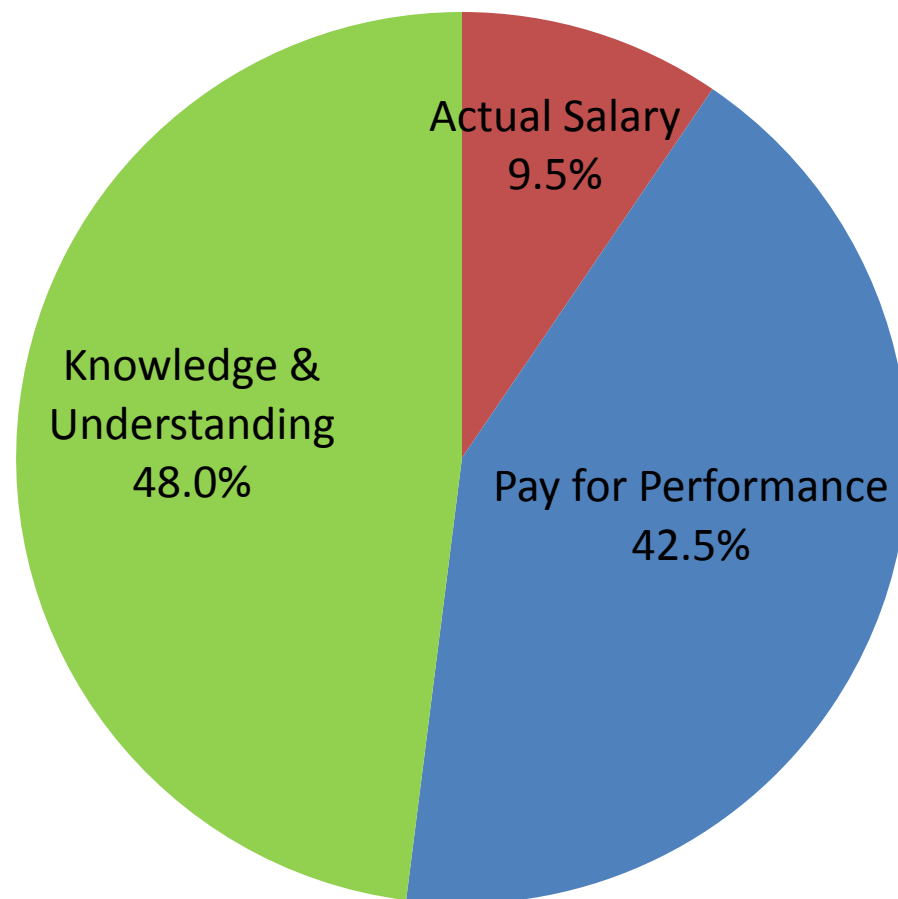
PERCEPTION

- **I don't know why they pay me what they do**
- **My co-workers who do the same thing make more than I do**
- **I'm not paid enough for the work I do**
...RESPECT

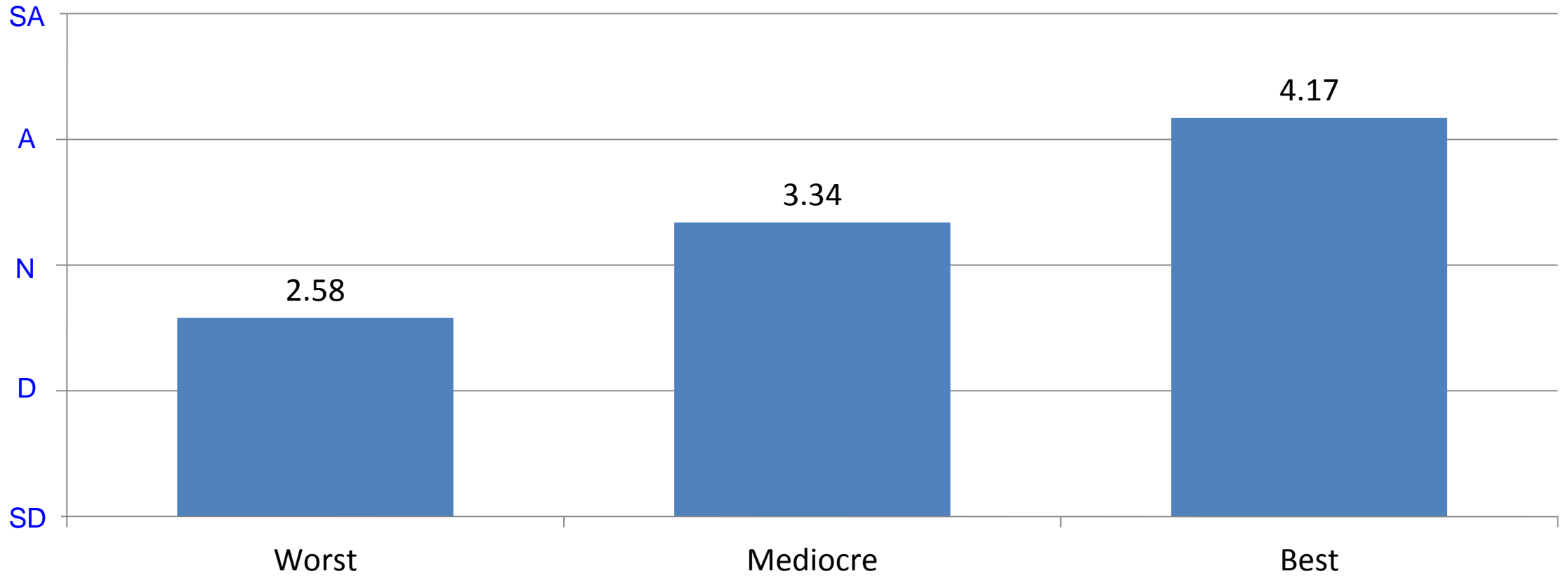
Belief in pay fairness
can impact engagement.

An employee's perception
of pay fairness is heavily
influenced by the manager.

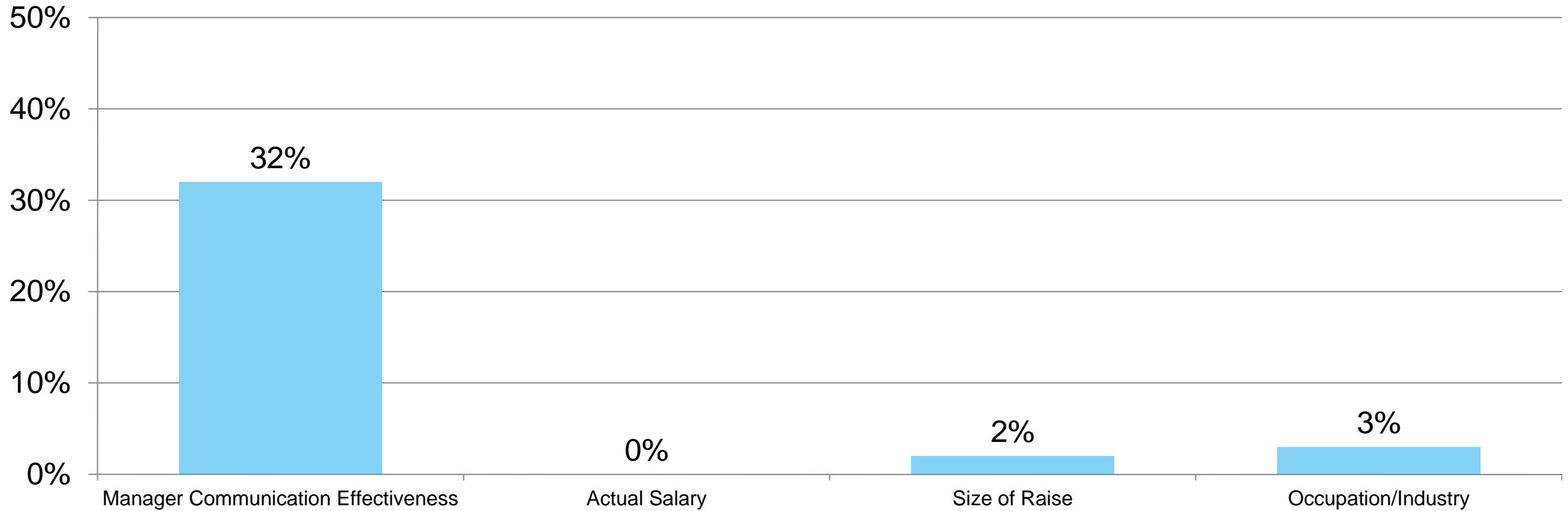
Drivers of belief in pay fairness



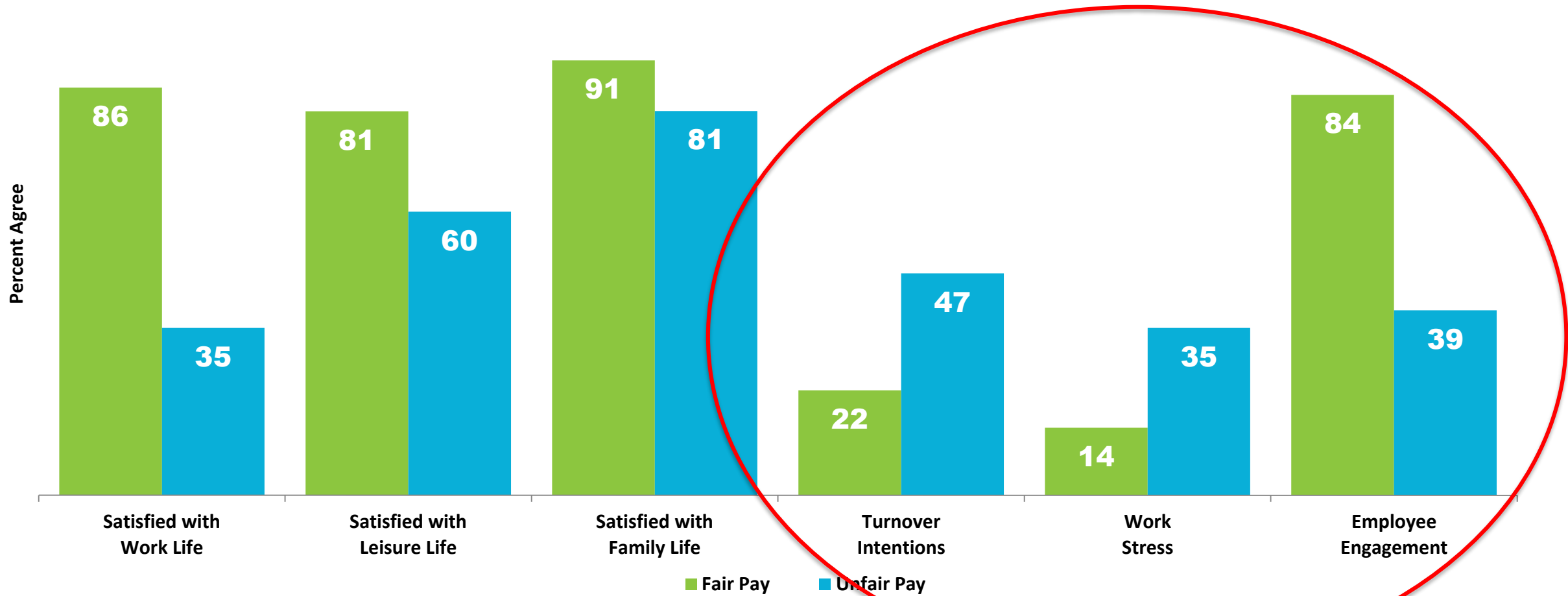
Impact of managers communication skills on employees perception of pay fairness



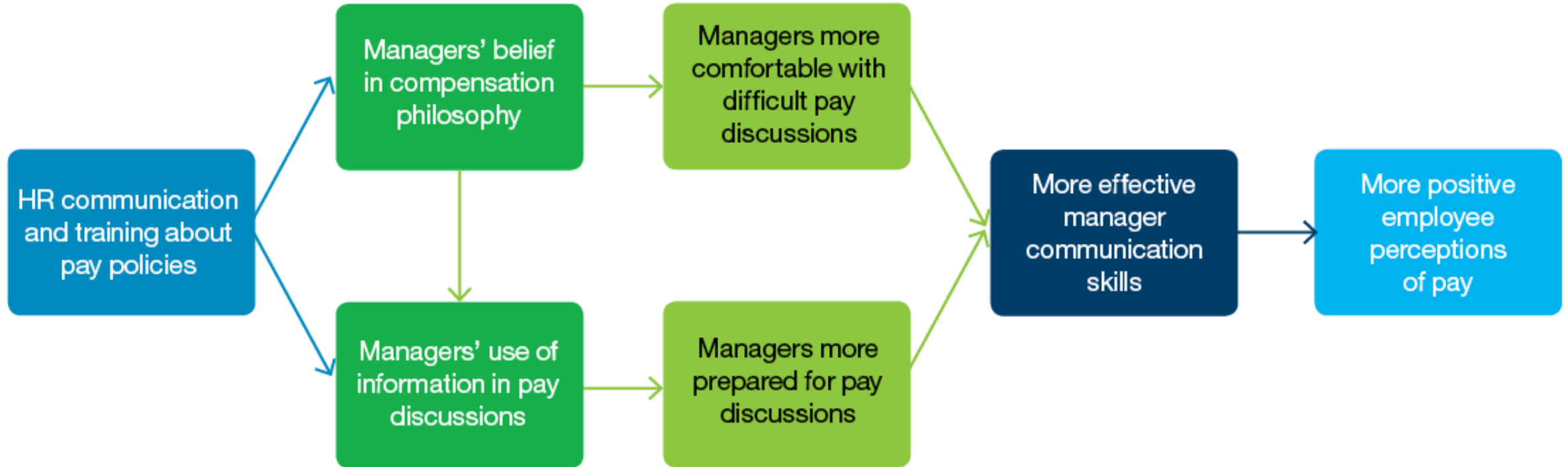
Managers communication is more impactful on pay fairness than salary or raise



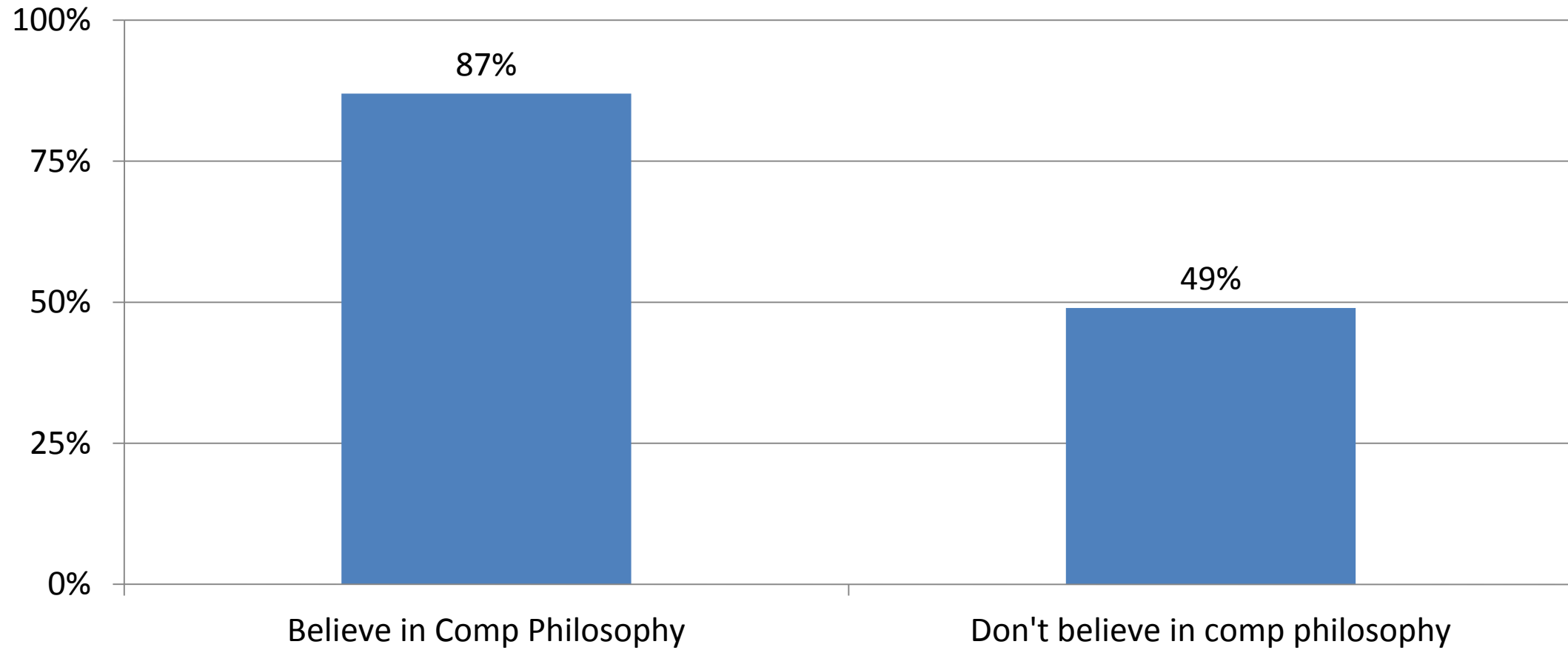
Perception matters



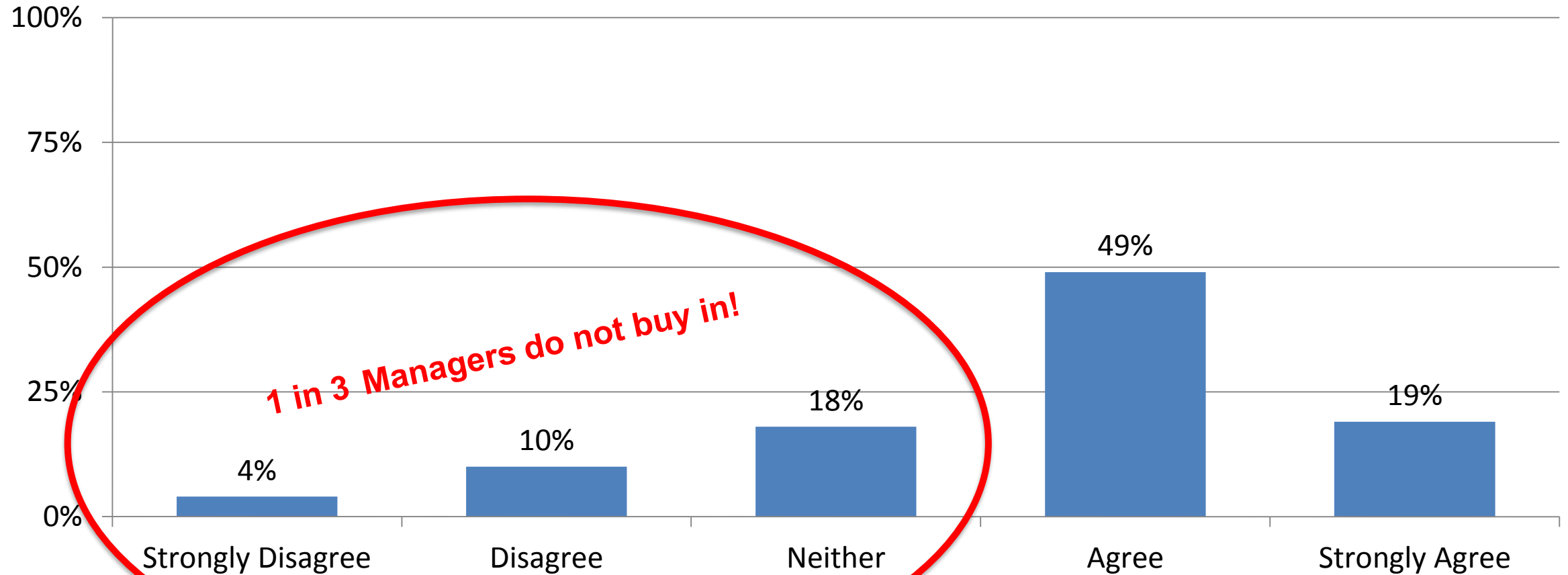
Converting managers from messengers to compensation ambassadors



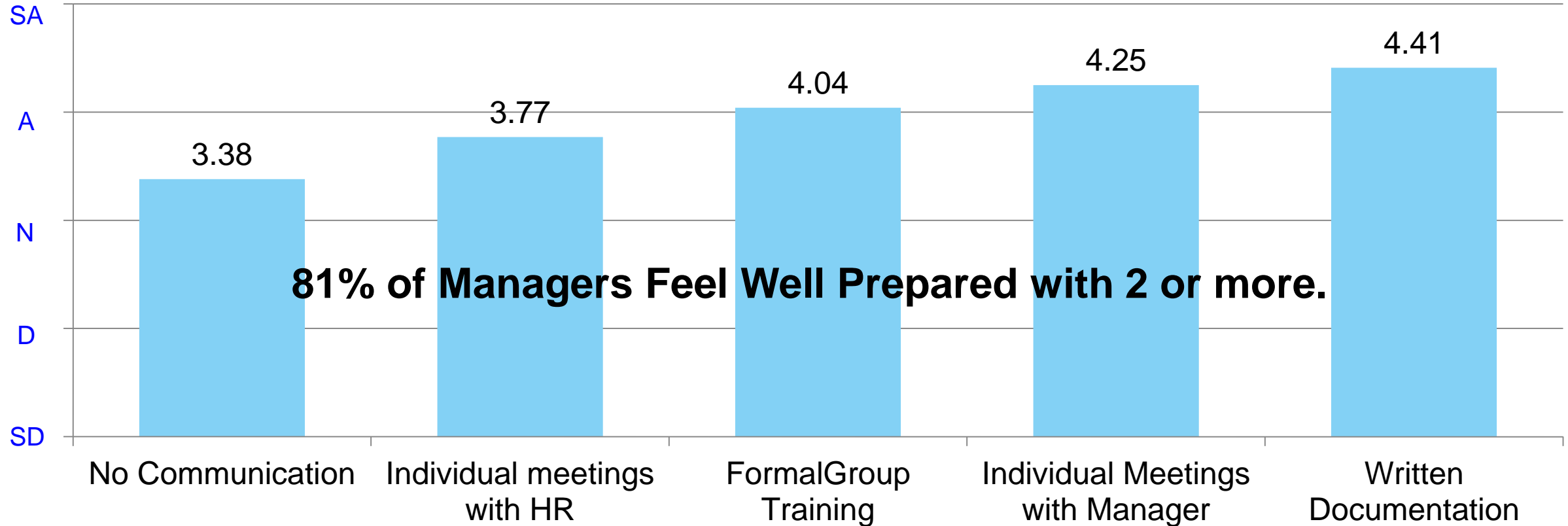
Managers who feel comfortable having salary discussions



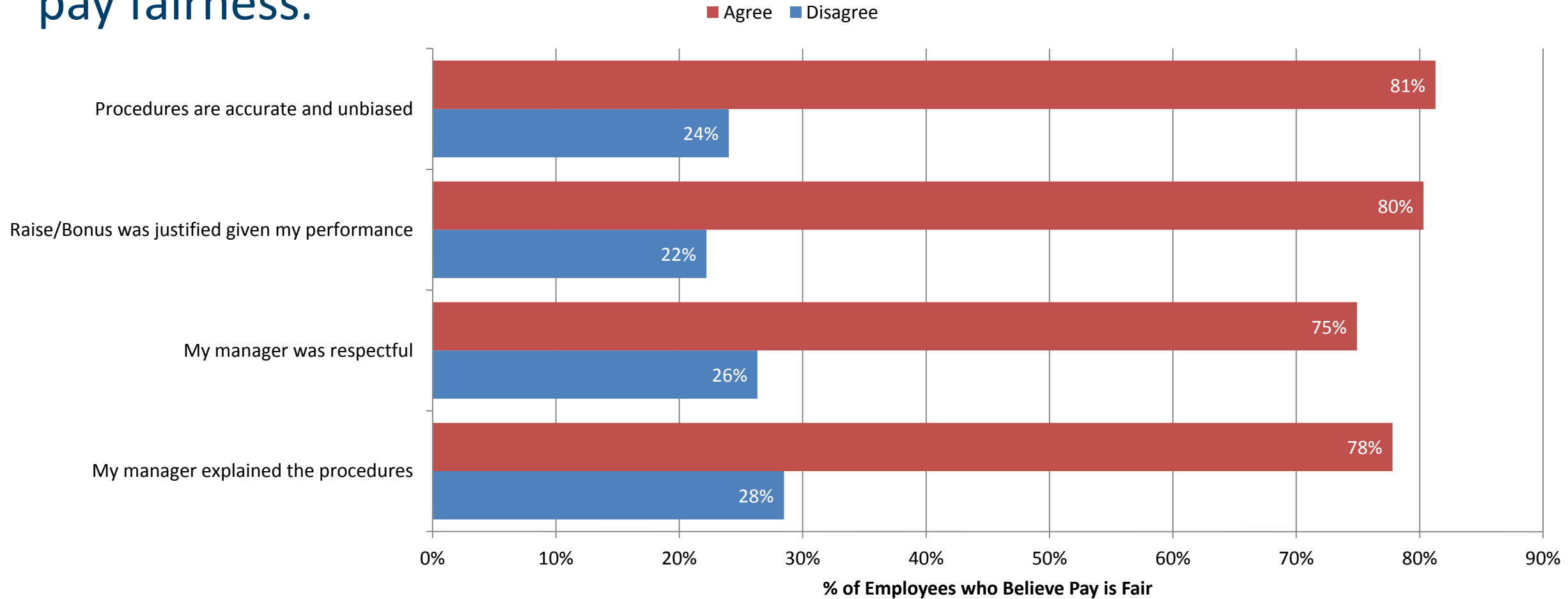
Managers Belief In Organizations Compensation Philosophy



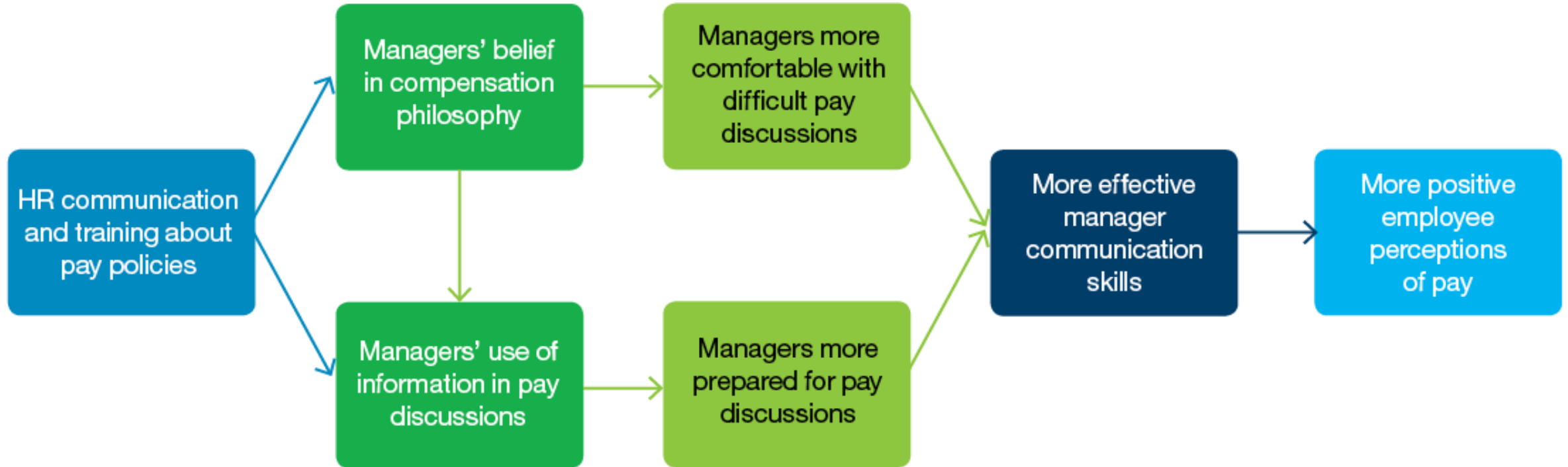
Managers Belief In Organizations Compensation Philosophy



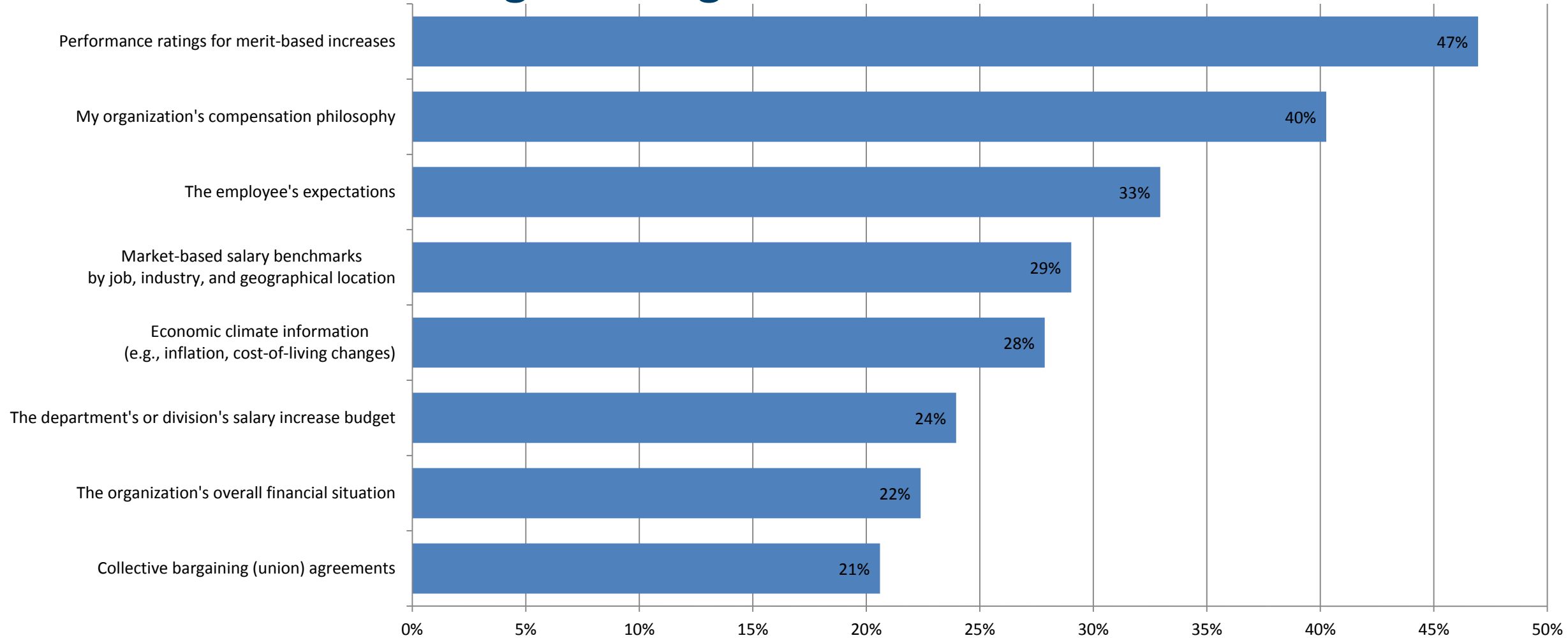
How well raises and bonuses are handled impacts perceptions of pay fairness.



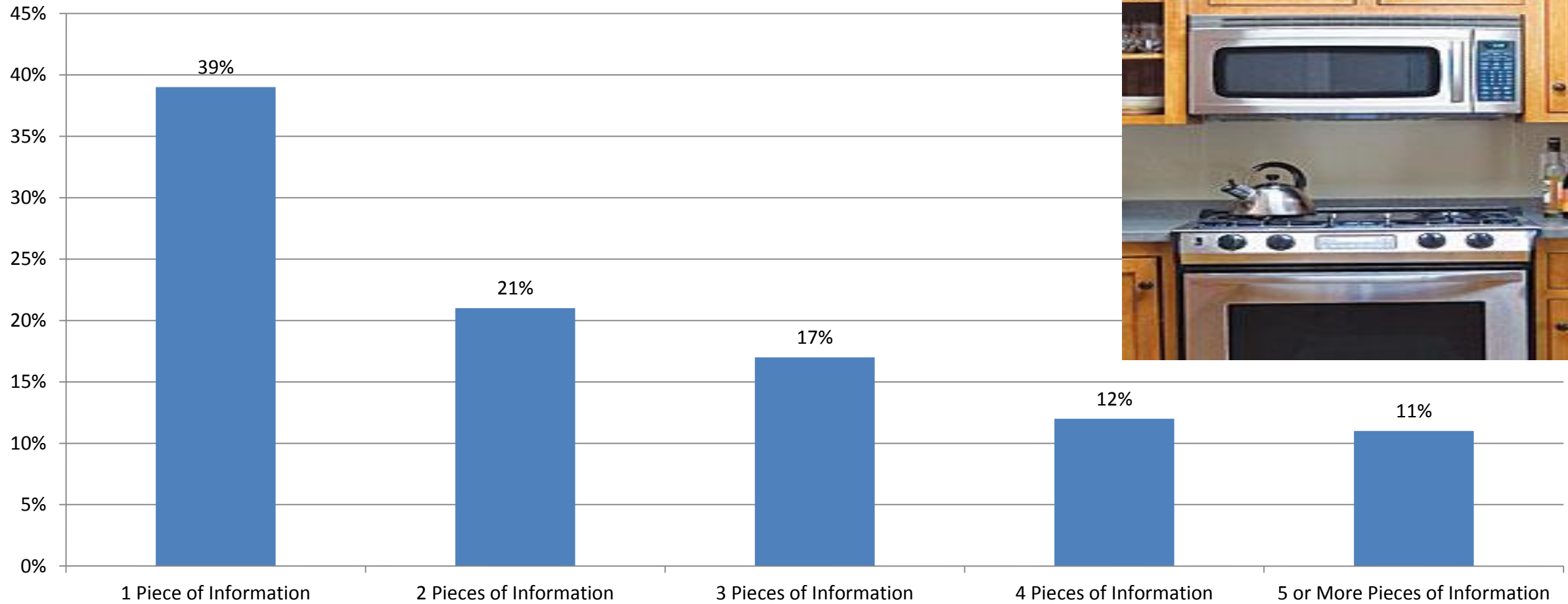
Converting managers from messengers to compensation ambassadors



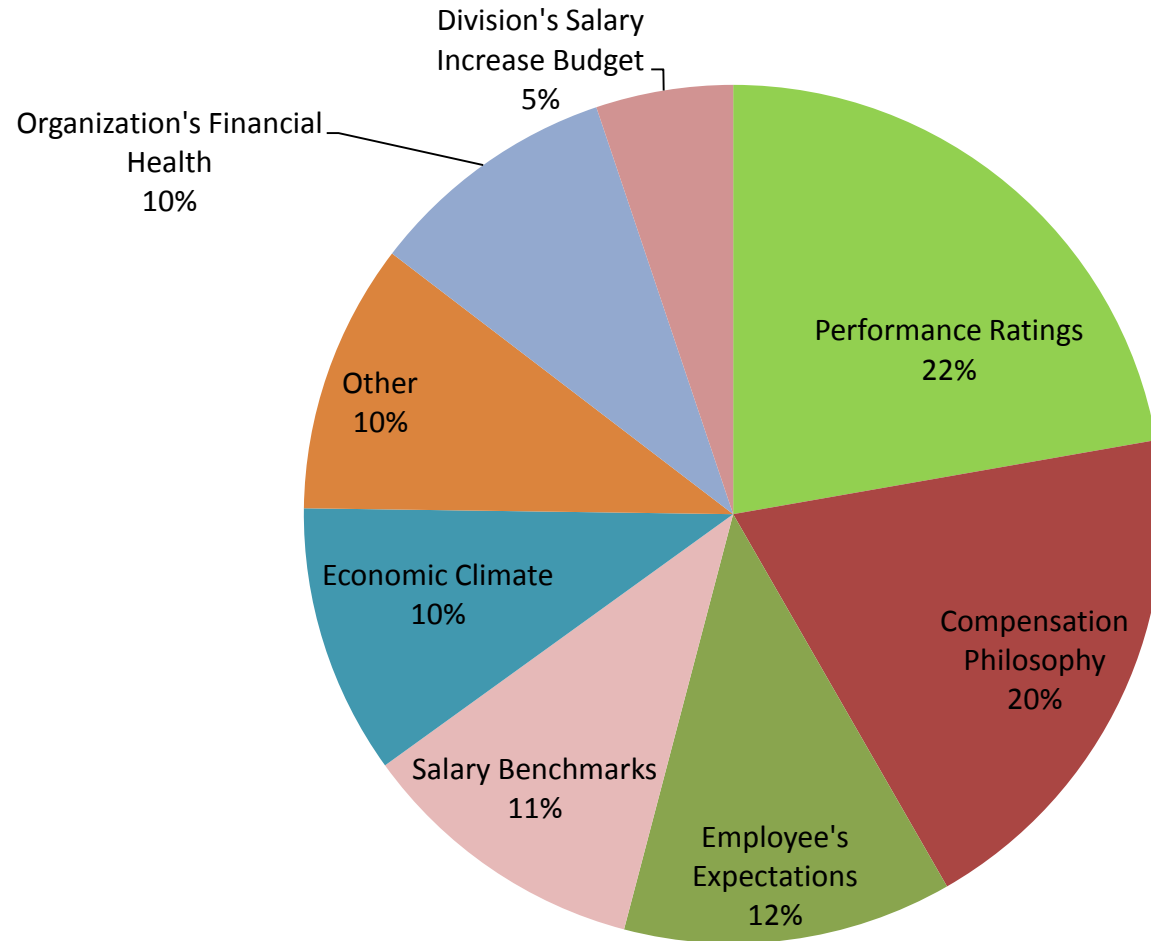
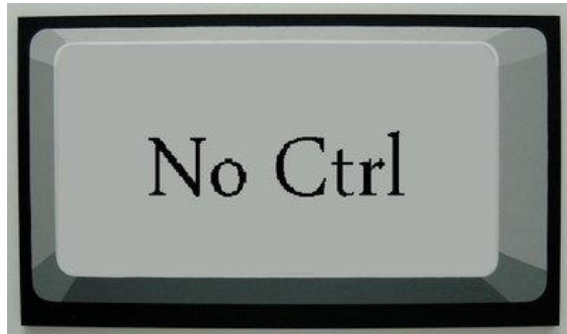
What Tools Do Managers Bring?



How many tools do managers bring?



Most common tool when only one is used



Question

Are managers **trained** on how to talk about compensation?

Yes 28%

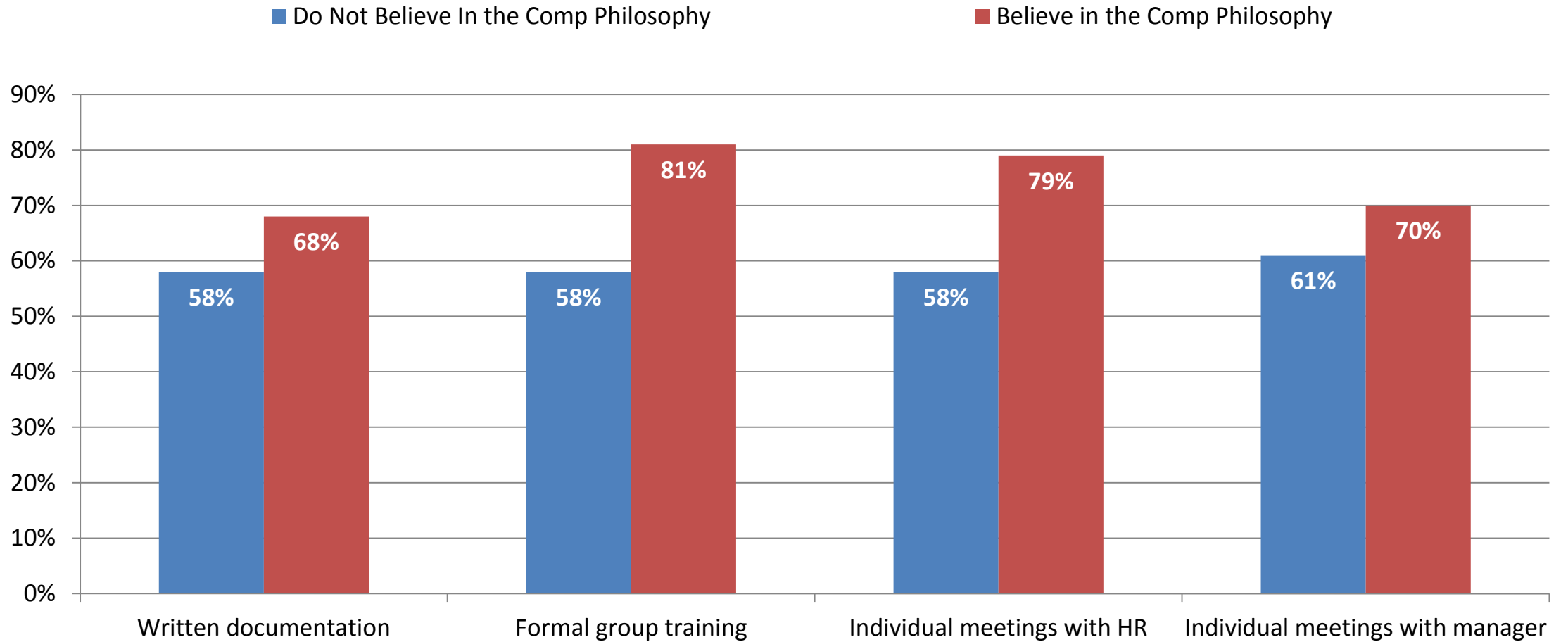
No 72%

messenger

1. Make managers believe
2. Help employees comprehend
3. Help managers deliver

ambassador

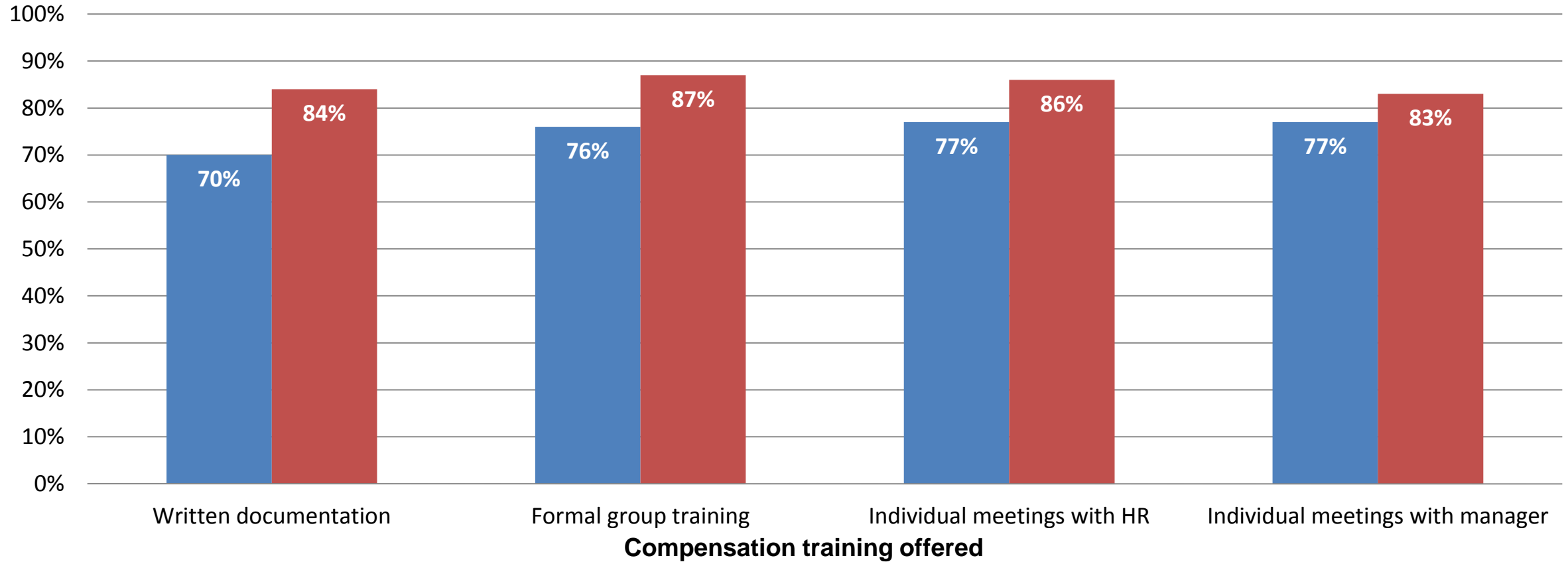
Managers: Communication Drives Belief



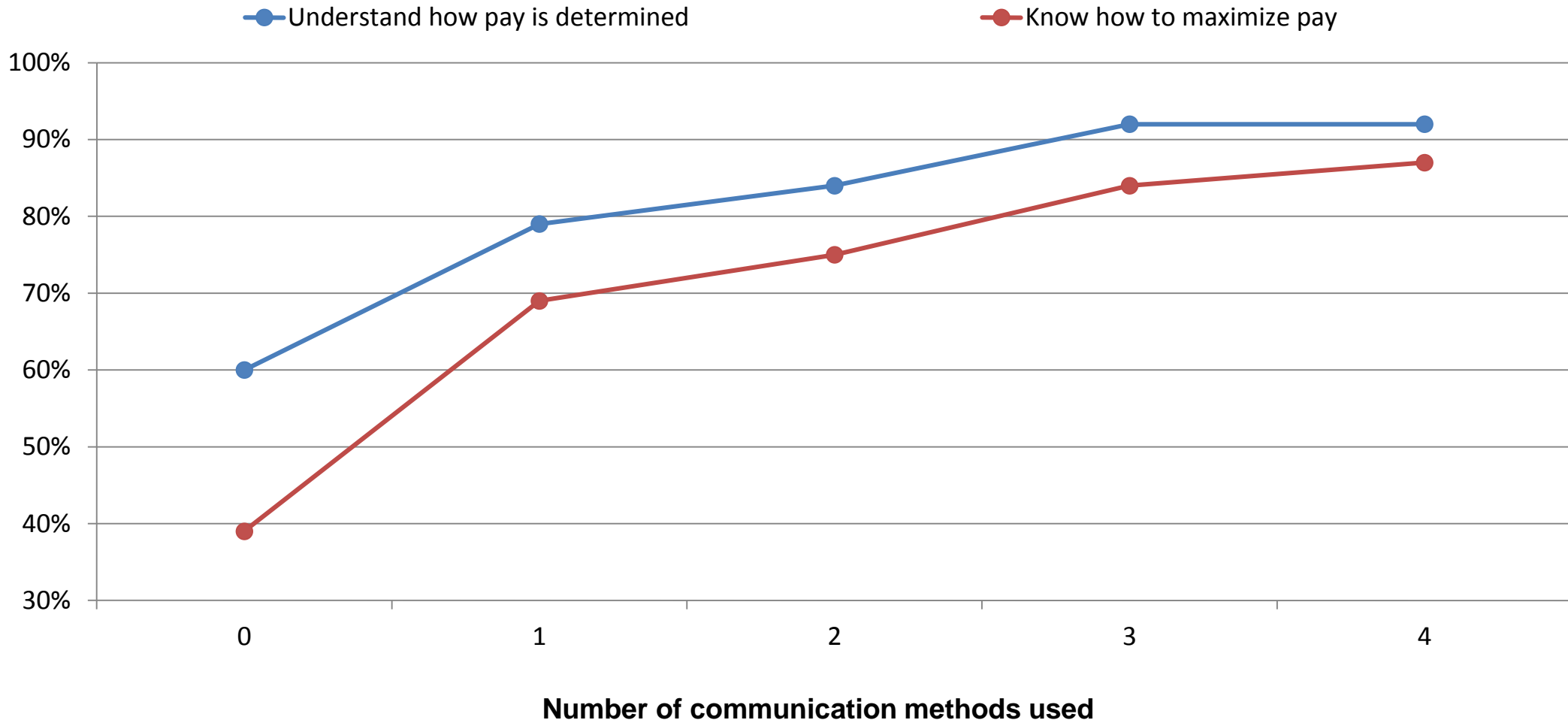
It's Not JUST the Managers

I Understand How My Pay Is Determined

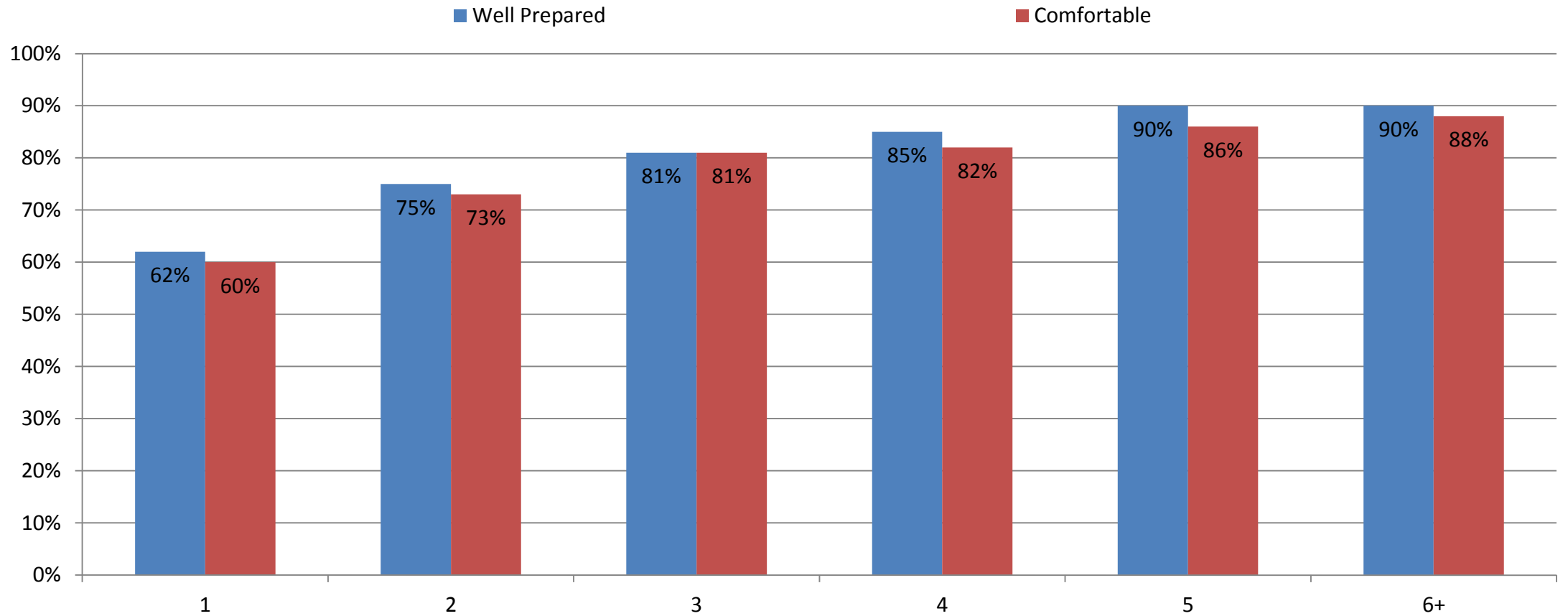
No Yes



Employees: More Communication = Better (to a point)



Manager preparedness vs. data points assembled for pay discussions



1. Make managers believe
2. Help employees comprehend
3. Help managers deliver

We're humans first.

There is no amount of training
that is going to fully prepare you
for an employee to be
disappointed.

Finally, what can HR do?

- **Something is better than nothing**

Simply share written documentation with managers—40 percent of managers have received no such documentation.

- **It all adds up**

Multiple modes of training and communication could be combined for increased impact.

- **Talk to managers**

When feasible, HR could spend time talking to managers about their organization's pay policies and philosophy.

- **Engage managers and employees**

Engage managers and employees in the “Business of Compensation”.

Finally, what can HR do?

- **Something is better than nothing**
Simply share written documentation with managers. 74% of managers have received no such documentation.
- **It all adds up**
Multiple modes of training and communication should be combined for increased impact.
- **Talk to managers**
When feasible, HR could spend time talking to managers about their organization's pay policies and philosophy.
- **Engage managers and employees**
Engage managers and employees in the "Business of Compensation".

**Ambassadors aren't born
They are CREATED!**

“It is up to me...”

“My hands are NOT tied!”

“HR helped me do it!”



Thank You!

Mark A. Szytko, CCP, GRP
mark.szytko@salary.com
781-697-0061

Dan Gosselin
dan.gosselin@salary.com
508-630-6382