



Compensation Analysis Webinar

Presenters today ...



Shannon Oswald

Director, Armanino Advisory LLC

Shannon is a director in the HR Solutions group. She has more than 25 years of experience in HR and works with a wide range of clients, including many startups, in sectors including technology, entertainment, professional services, manufacturing and private schools. Her areas of expertise include employee management, payroll, compensation, benefits administration, and compliance and risk management.



Jenn McCabe

Partner, Armanino Advisory LLC

Jenn has more than 25 years of outsourced accounting and finance and HR experience, with a particular expertise in startups and the advertising and creative production industries. She is passionate about seeing companies utilize the latest accounting and HR technology to maximize their efficiency, productivity, and ultimately, success.

Learning Objectives

- **What** compensation analysis involves and how it benefits hiring and retention
- **Common** scenarios where CFOs and HR professionals find value in compensation analysis
- **Compliance** issues that come to light after a compensation analysis
- **A Real-life** example of how a compensation analysis provided the data an organization needed to justify and determine wage changes

What is compensation analysis

*“Compensation is a tool used by management to **strategically incorporate a philosophy** on how to pay employees. Compensation may be adjusted according the **business needs, goals, and available resources**. A cash compensation analysis compares current salaries to the job market to provide this information - both on a company-wide basis, and by individual”*

Why is compensation analysis useful?

Tool for CFOs

- Budgeting tool for companies
- Sets expectations for wage increases across management
- Dollars get allocated to individuals strategically based on merit and tenure

Tool for HR Executives

- How is the company overall compared to the market
- It allows to strategically see where individuals are compared to the market
- Compensation strategy needs this data

Anyone involved in compensation decisions can benefit from reviewing comp analysis data to help with cash compensation decisions.



When Companies Need Compensation Analysis

- Budgets are tight
- A lot of tenured staff
- Higher than expected turnover
- Building a start-up team & keep a competitive edge
- To maintain control & understand the current labor market
- Need to answer to a board or investors about salary benchmarking
- Different components of compensation makeup an employees total rewards

Other Compliance Issues that Come to Light

- Pay parity
- Wage thresholds
- Misclassified workers
- Underpaid internships
- Wage and hour required adjustments



Client Case Studies



Big Clients:

- No structured merit increase
- Employee demanding increases
- No market data
- Employees over or under paid

Small Client:

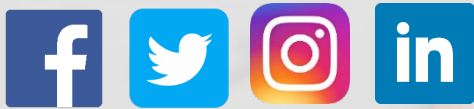
- Hybrid jobs
- Difficult survey
- Very tenured staff
- It illustrates high & low turnover
- No increase for years at a time
- Owner arbitrarily increased wages upon demand

A close-up photograph of two hands holding two white puzzle pieces. The hand on the left is holding one piece, and the hand on the right, with red nail polish and a ring, is holding another. They are positioned as if about to be joined. The background is blurred, showing more puzzle pieces and a person's face.

Q & A Session

Questions?

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