



WHERE
EMPLOYMENT LAW
MEETS
WORKPLACE CULTURE

Compensation and Pay Equity Studies

Market pricing and compensation analysis is a systematic process used to ensure an organization's pay structure is competitive within its industry and aligned with its strategic objectives. This process involves benchmarking roles against market data, analyzing internal equity, and providing actionable insights for compensation adjustments to ensure competitive and fair compensation practices. We assess your current compensation strategy, compare it against industry standards, and identify areas for improvement to attract, retain, and motivate top talent. Our pay equity analysis services focus on identifying and addressing any discrepancies in compensation across different demographics, ensuring fairness and compliance with legal requirements. Through both internal pay gap analysis and then pay equity analysis, we conduct thorough evaluations to highlight any unintentional pay gaps, offering actionable recommendations to promote equitable pay practices and enhance organizational transparency.

We utilize the following methodology when conducting a compensation study

1. Data Collection and Benchmarking

- **Job Matching:** Align internal job descriptions with comparable roles in external compensation surveys or market datasets.
- **Survey Selection:** Use reputable market compensation surveys such as Comp/Analyst (Salary.com), PayScale, and industry surveys provided
- **Geographic Adjustments:** Adjust data for location-specific factors, considering cost-of-living and labor market conditions.

2. Market Analysis

- **Percentile Analysis:** Identify market percentiles (e.g., 25th, 50th, 75th) to position pay strategies competitively.
- **Competitive Analysis:** Compare base salary, incentives, and total rewards against market benchmarks.
- **Pay Structure Development:** Create or refine pay grades, ranges, and progression opportunities.

3. Internal Equity Assessment

- **Pay Equity:** Evaluate internal compensation to ensure fairness across roles, genders, and demographic groups.
- **Compression Analysis:** Identify and address salary compression issues between new hires and tenured employees.

4. Strategic Recommendations

- **Pay Policy Line:** Develop guidelines for positioning pay relative to the market (e.g., leading, matching, or lagging market trends).
- **Implementation Plan:** Provide guidance for adjustments, such as phased increases or targeted re-alignment.

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