

Compensation Effectiveness Diagnostic

Evaluate the impact of annual performance and pay processes on employee retention and performance.



Benefits of the Compensation Effectiveness Diagnostic

High-Quality Implementation Support

- Survey questions based on a global, multi-year analysis of the impact of pay perceptions on the performance and retention of more than 15,000 employees
- Ability to tailor survey by selecting modules based on need; modules include pay process fairness, pay equity fairness, and pay value perception
- Opportunity to add custom questions and demographic options

High-Impact Data and Analysis

- Detailed analysis of key metrics including:
 - Organization's Pay Perceptions Index (PPI) Score
 - Process fairness (organizational and manager fairness)
 - Pay equity fairness (internal and external equity)—*optional*
 - Pay value (financial and non-financial value)—*optional*
- Benchmarking report and analysis
- Action-planning support

Increase Returns on Your Compensation Dollars

Given continued economic uncertainty, most compensation budgets are growing only modestly across the next 12 months, making stretching compensation spend more important than ever. Organizations that positively influence employee pay perceptions realize significantly greater returns from compensation dollars on employee performance and retention, but few do so effectively.

The Compensation Effectiveness Diagnostic—a survey service included in CLC Compensation membership¹—is designed to uncover employee perceptions of pay processes; analyze the impact of pay differentiation; and guide improvements in annual pay and performance processes.

Compensation Effectiveness Diagnostic—A Feature of the CLC Compensation Membership

The Compensation Effectiveness Diagnostic is based on CLC Compensation's proprietary Pay Perceptions Index (PPI), which measures six critical aspects of employee pay perceptions which in turn influence employee effort and intent to stay at the organization. The Diagnostic can be deployed to all or some of your employees, and a standard survey module takes just 5-10 minutes to complete.

CLC Compensation fully manages survey design and reporting, delivering to you:

- A detailed analysis of employee pay perceptions and their impact on effort and intent to stay
- Recommendations on changes to make to pay processes and resources to support improvement efforts
- Comparison of pay perceptions, effort, and intent to stay against external benchmarks

¹ Additional service add-ons, such as additional languages and custom questions, available for a fee.

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Contact Us

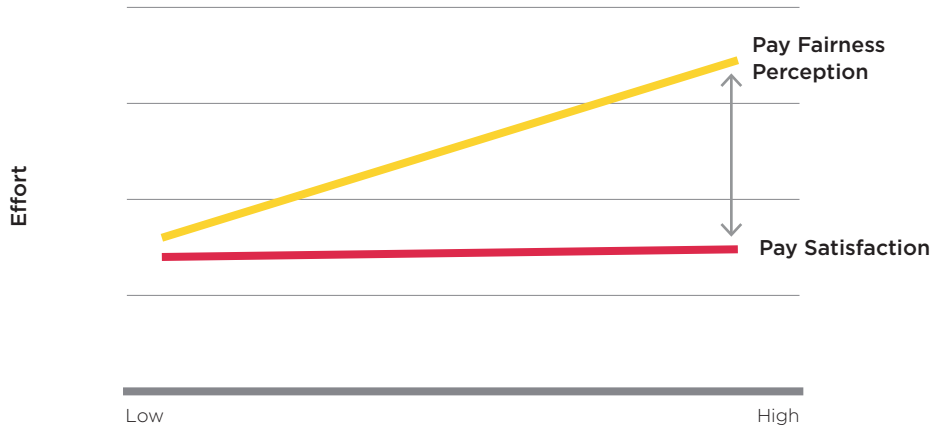
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Sample Survey Questions

- “Does your organization make it very clear how your pay is determined?”
- “How much higher or lower is your base pay relative to the average base pay paid to others in your position at the organization?”
- “Does your compensation package meet your current financial needs?”
- “When needed, are you willing to put in the extra effort to get a job done?”

Employee Perception of Fairness Is a Better Predictor of Effort than Pay Satisfaction

In order to assess the real impact of pay on employee effort (or performance), organizations should measure employees’ perception of pay fairness rather than pay satisfaction.



Participating organizations include:



Impact of Pay Perceptions on Intent to Stay and Discretionary Effort

Organizations that positively influence employee pay perceptions realize significantly greater returns from compensation dollars on intent to stay (retention) and effort (performance).

