

Web access transforms compensation surveys

Giving users the capability to do highly detailed searches has fueled demand for more refined salary information

TECHNOLOGY HAS dramatically changed salary surveys, giving companies—and employees—unprecedented access to information on the market value of almost any job imaginable.

At first, that sounds great: Salary information is infinitely more useable now that it's on the Web, as opposed to being trapped in the pages of a report. Users can specify their parameters—employee education and training, company size, industry or location—to arrive at very specialized salary profiles.

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however. Companies used to be content with compensation information on broad benchmark jobs, says Bill Coleman, senior vice president of compensation for Salary.com, which also serves both employers and individuals. Its database includes information on 1.3 million current job holders and 5,000 companies. Satisfaction with more general benchmark salary data went out the window once employers got access to actual databases and were able to set up their own search parameters, he says.

"The easier it is to get data, the more you want," he says. "The demand is increasing because the flow is easier.

views. That's challenging HR to change and become more open."

Some Web-based salary information that employees present to make their case for a raise can be too broad to be useful, says Steve Brink, global leader for human capital products solutions at Mercer Human Resource Consulting. Mercer has been in the compensation survey business for 40 years and has 15,000 company entries in its global database. In the U.S. alone, the surveys cover more than 15 million employees.

Employers need to be sure they are armed not just with a job title and the salary for it, but with the right set of comparisons to counter an employee's argument, he says. Job content, not just title, also is critical.

Brink also disputes the notion that too much compensation information is overloading employers, at least among Mercer clients. Most organizations that have a solid compensation department know what they want beforehand, he says.

"They have an idea of peer group they want, and where they want to be matched to positions. How do you want to pay? Is it the 75th percentile of this industry, this peer group? They can do that analysis. They can slice and dice to get to right answer."

Technology notwithstanding, market data is only one way of gauging what a job is worth, the experts say.

"Companies used to rely heavily on internal equity and salary structure," Coleman says. "But in this addiction model, the more you think you can get, the more you want. HR and comp are more driven by external market data than internal structures."

Brink thinks that picture is changing. Before 1970, compensation was set largely by the measure of a job's worth inside the organization, he says. As the year 2000 approached, a rapidly expanding economy and a highly competitive job market meant there was "a push to get much more market-focused."

Now, he says, companies are again weighing their own salary imperatives with what the market indicates a job might be worth. "It's going back to the center," Brink says.

—Staff report



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The ability to reshuffle information has created its own set of problems,

Bosses and CFOs and CEOs and managers are expecting to find more data." That puts additional pressure on comp professionals to keep fine-tuning results. Sometimes, they get just as caught up in the data chase, he says. "It's like crack for comp people."

It can be just as addictive for employees and job seekers. They can go to the Web to see what a job is "worth." They're not shy about confronting their current or would-be employers with that information.

"Employees are aware of the compensation tools they can use," Whittlesey says. "They prepare themselves for meetings, or hiring, or performance re-