

Affinity Plus Federal Credit Union transformed pay conversations and strengthened employee engagement with Payscale.



Company

Affinity Plus Federal
Credit Union

Industry

Finance

Employees

600+

Location

Minnesota



Payscale Info

Payfactors Advanced

Survey Management

Comp Expertise Services

Peer Data

Overview

This case study explores how Affinity Plus Federal Credit Union successfully navigated the complexities of pay transparency legislation and compensation restructuring by partnering with Payscale. Moving from pay confusion to clarity, it increased employee engagement, proving the business impact of transparent and fair compensation practices. This work has positioned Affinity Plus Federal Credit Union as a leader in their industry for compensation best practices.

Through their collaboration with Payscale, Affinity Plus achieved significant improvements in several key areas:



Enhanced pay transparency

Employees gained a better understanding of how their pay was determined, where they landed in their pay range and why, and what was included in their total rewards package.



Improved employee engagement

The company reported more employees feeling engaged, confident, and appreciative about their pay and what growth and career opportunities were available to them.



Clearer pay communication

The HR team was able to effectively educate leaders on how to communicate pay decisions clearly and confidently, which resulted in more meaningful compensation conversations with employees.



Streamlined pay increase process

The new process, which integrated pay adjustments with performance and had more robust guidelines, helped leaders make more informed increase decisions and manage employee expectations. This resulted in only 33 requests for pay adjustments across the entire 600+ employee population during the initial rollout.

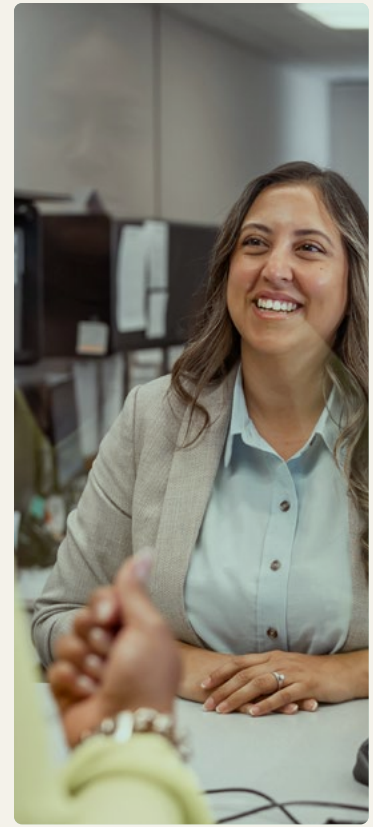
Situation and challenges

Affinity Plus, a Minnesota-based financial cooperative, is committed to fostering an inclusive, engaged, and equitable workplace. Affinity Plus faced increasing pressure to mature their compensation program as Minnesota prepared to pass pay transparency legislation and employees became more invested in how and why pay decisions were made. There were some initial concerns about potential negative feedback from employees if pay ranges were shared more broadly, as well as the added complexity of translating compensation data into actionable insights. Thankfully, leadership recognized the need to reevaluate comp practices to ensure fairness, clarity, and alignment with company values.

The company also wanted to address gaps in how its compensation philosophy was presented to employees. While it had strong benefits, such as health insurance and 401(k) matching, it lacked a clear way to communicate the full value and competitiveness of the offered total rewards package.

People managers struggled to explain the rationale behind pay ranges, and the organization needed a simpler, more transparent way to communicate pay decisions.

Affinity Plus felt it had the pieces needed to address these challenges, but it needed a partner like Payscale to put those pieces together to refine their compensation strategy. The goals were clear: establish and maintain a simple and clear pay structure, foster stronger leadership-employee conversations around compensation and total rewards, and ensure that the company's pay practices aligned with its values of treating employees fairly.



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“We initially looked at other vendors who could help us in this area, and we just didn't find what we were looking for in terms of the level of partnership and expertise that Payscale could provide. It was important for us to make sure that the information we were receiving was reliable and to have that come from a trusted source. We can now confidently say we are looking at compensation in a way that will ensure that we're building for the now as well as the future.”

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Jennifer Klapak
Director of HR and L&D

Solution and outcomes

The partnership with Payscale provided the Affinity Plus team with expert guidance on developing a compensation strategy that made sense for the business. Payscale's Comp Expertise team helped the company refine its pay structure, simplify its pay range placement guidelines, and align the compensation strategy to support company initiatives. This work created a foundation to make it easier for leaders to better assess their employee's performance and development in their role, determine the appropriate salary, and confidently communicate pay decisions and career growth opportunities to employees.

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“At the end of the year, an employee that had some concerns about their pay said their experience during their total rewards conversation with their manager was everything they could have hoped for and more. This employee had a background in HR: they had some specific expectations, and after going through our process with their manager, they really felt understood and heard. It reaffirmed why they love working at our company. This feedback is one of the best compliments we could receive because it shows we’re truly achieving what we set out to do.”

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Jennifer Klapak
Director of HR and L&D

Affinity Plus stated that Payscale's resources, such as trend reports, webinars, and community support, helped ensure its compensation practices remained forward-thinking and aligned with industry standards. Additionally, its leaders discovered newfound confidence in how jobs were being priced in the Payfactors tool using external survey data and Payscale's Peer data. Peer gave it the ability to assess its market competitiveness against organizations of a similar size or industry and know the methodology was rigorous and reliable. This alignment was a key foundation for the development of an updated pay structure and philosophy.

The first major shift as a result of this work came with the roll-out of a more transparent pay philosophy. Leaders, who were initially apprehensive about openly discussing compensation, discovered that employees appreciated the level of detail that was being shared with them about their pay. Providing clear career paths and pay ranges led to higher employee satisfaction and even increased job applicants, as candidates adjusted their expectations to match the posted ranges.

Additionally, Affinity Plus worked with Payscale to develop a more streamlined pay increase process. The updated process aligned pay adjustments with performance reviews and integrated pay range guidelines into conversations with employees.

This not only helped address individual compensation questions, but also provided a clearer understanding of how pay decisions were made.

Looking ahead

Affinity Plus anticipates that its investment in pay transparency and refining its compensation structure will continue to yield longterm benefits. The company is better positioned for future growth and can easily adapt its compensation structure to changing external factors, including new legislation or market trends. Additionally, the enhanced focus on compensation alignment with performance reviews will improve overall employee development and retention.

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“We went into the project with Payscale with a goal in mind, but what we ended up with was even better than anticipated. Initially, we just wanted a comprehensive review to ensure we were competitive and that our structure aligned with our philosophy. However, thanks to the insights and thought leadership shared by the Payscale team, we ended up in a much better place. It was a truly valuable experience that exceeded our expectations.”

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Sara Pook
Total Reward Senior Specialist

The HR team at Affinity Plus expressed pride in the success of what they were able to deliver to the organization. The company's culture of openness and care was key to the project's success. As they continue refining their compensation strategy, the company is exploring new avenues such as skills-based pay to further enhance employee satisfaction and engagement.

With the help of the Payfactors software solution and expert insights from Payscale's Comp Expertise team, Affinity Plus strengthened pay communications by empowering leaders with the right tools and training, leading to greater employee confidence and fewer adjustment requests.



Take the tour, start the transformation

Our suite of products has equipped thousands of companies to transform their compensation strategies. In the process, Payscale products have saved our customers thousands of hours annually while empowering their teams to hire and retain the best talent.

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About Payscale

Payscale stands at the forefront of compensation data technology, pioneering an innovative approach that harnesses advanced AI and the most up-to-date and reliable market data to align employee and employer expectations. With its suite of solutions—Payfactors, Marketpay, and Paycycle—Payscale empowers 65% of Fortune 500 companies to make strategic compensation decisions. Organizations like Panasonic, ZoomInfo, Chipotle, AccentCare, University of Washington, American Airlines, and PetSmart rely on its unique combination of actionable data and insights, experienced compensation services, and scalable software to drive business success. By partnering with Payscale, businesses make confident compensation decisions that fuel growth and build value for both their organization and their people.

Create confidence in your compensation. Payscale. To learn more, visit www.payscale.com.

