## SAVING THREE MONTHS OF COMPENSATION WORK AND INCREASING TRUST BETWEEN MANAGERS AND EMPLOYEES

Futaba Relies on PayScale to Streamline the Increase Cycle and Empower Managers





#### HEADQUARTERED IN JAPAN, FUTABA IS AN ELECTRONICS MANUFACTURER AND DISPLAY COMPANY.

Operating offices in Asia, Germany, and the United States, Futaba is a leading manufacturer of Vacuum Fluorescent Display (VFD) technology as well as a leading provider of Electronic Manufacturing Services (EMS). The company's EMS business spans a broad customer base covering automotive, industrial, commercial, medical, appliance, lighting and telecom.

### **THE CHALLENGE:** Comp management done by hand.

For Julie Mathis and Futaba's total U.S. HR Department of two, managing the annual increase cycle was a "spreadsheet nightmare." Mathis would request market analyses from chambers of commerce across the country, and when data wasn't available, substitute the closest market data from government surveys. "The process was so archaic. Managers had spreadsheets, and they would plug in their budgets. That was it. No guidelines, no market data, nothing. And pay ranges hadn't been updated in 10 years."

The entire process required three months of Mathis' time every year, a daunting challenge for an HR manager responsible for 112 employees across four states. *"Compensation ties into all pieces of your organization. If you don't pay right, if you don't get the right people on board, you're going to have a hard time with performance and turnover,"* said Mathis.

#### **5 THINGS TO THINK ABOUT WHEN BUYING COMP SOFTWARE:**

- 1. Will it save me time, reduce manual work, and allow me to get back to what I love about my job?
- 2. Will it empower someone else? Or put responsibility back where it belongs?
- 3. Can I count on the data?
- 4. Does the company offer the expertise and continued support I need?
- 5. Does it fit within my budget?

### WHY FUTABA CHOSE PAYSCALE:

- Saved three months on compensation work
- Increased manager-employee trust
- Reduced turnover
- Streamlined salary negotiations

# **WORKING AS A TEAM WINS**

A key part of the decision to use PayScale was Mathis' desire to put the responsibility for compensation decisions back where they belong: with managers. "The first year I was here, I heard a lot of pay decisions being explained away by the phrase 'HR said' or 'HR reviewed it.' No, that's not how compensation works. It is HR's Job to be a resource and give managers information they need to make an informed decision about pay. PayScale enables me to do that."

PayScale was quickly embraced by Futaba's managers. "Every single manager has come to me and said, 'I love this tool.' PayScale is intuitive. It's easy to use. And managers can instantly see where employees stand in terms of compensation. PayScale makes everything clear."

"PayScale made it easy to explain to the employees their full compensation. Everyone understood that the company helps with the medical, dental, and eye insurance, but they really didn't know how much. After seeing the cost on paper, it opened their eyes to what Futaba is paying for them in the background. I had several employees thank me for sharing this information with them."

Eric Jones, Operations Manager, Futaba

### **PAYSCALE IN THE WORDS OF MANAGERS:**

- Intuitive Interface
- Increased visibility
- Increased transparency
- Easy to use
- PayScale makes everything clear

### WITH PAYSCALE, FUTABA HAS:

- Saved three months and spent 50% less time on compensation analysis
- Increased trust between managers and employees
- Reduced turnover by increasing transparency
- Streamlined salary negotiations

## **THE FINISH LINE**

**Saved three months and spent 50% less time on compensation analysis.** "Basically, everything that PayScale does at the snap of a finger, I was doing by hand. By switching to Insight and Team, I saved three months' worth of work. I can now do performance reviews and increases in two weeks as opposed to a month. Before Team, that would take me three months. PayScale gave me back a quarter of my year," said Mathis.

**Increased trust between managers and employees.** With Insight's Employee Compensation Report, managers can now share an employee's full compensation, including the dollar amount of Futaba's benefits. "The biggest benefit to PayScale has been the trust that managers have been able to build with their employees," said Mathis. "I saw the change. Employees now understand why a pay decision was made, and they're more accepting of those decisions."

**Reduced turnover by increasing transparency.** "With PayScale, we've better communicated that we value employees and that we're willing to compensate them accordingly," said Mathis. "As we're able to be so transparent on an individual level, people better understand their value to the organization and that means something...that really does carry weight with employees."

**Streamlined salary negotiations.** "Using Insight to benchmark an open position enables me to use that report and tell a candidate 'This is what the market pays for this position, this is what we'll pay.' By communicating a fair offer that has the benefits package included, using the data from PayScale, nobody ever comes back and negotiates with me. Because the data is right there in front of them."

# **BRING PAY FORWARD: ABOUT PAYSCALE**

#### Data:

Disrupting the industry by taking creativity with data to new levels.

#### Software:

The innovation never ends. Smart software using the latest technology and machine learning.

#### Service:

Creators of the only modern compensation event, Compference, a dedicated customer community, Comptopia, and customer service you can rely on.

#### **MORE ABOUT TEAM**



418 Customers using Team.



169,000 Employees have been through the increase cycle.

