



Employees:  
220



Product:  
Insight



Industry:  
Food Service



Region:  
West

## The Challenge:

For Choicelunch, ensuring that their people felt valued was a key part of maintaining their workplace culture while attracting and retaining great employees. With so many varied positions in one small organization, it was difficult to access reliable and complete compensation information.

“We wanted to know that our wages were competitive in the marketplace,” said Justin Gagnon, CEO at Choicelunch. “Yet as a small company, we didn’t have enough data points to accurately manage compensation. We were just making knee jerk assumptions.”

Choicelunch operates with multiple locations across California, and had initially based wages off their home market. They experienced different rates of turnover in different areas, even those within the same metropolitan zone, e.g., between Oakland and San Jose. According to Gagnon, “The question became, how do we go forward with budgeting and making sure that we’re keeping up with the marketplace? How do we identify flight risks based on their pay? We needed a way to get really granular about compensation.”

## Why PayScale

In the search for a new solution, Choicelunch tested several compensation strategy vendors—without the hoped-for results. “We tried other software, including Kenexa, but the data was just wrong. It was skewed way high,” said Gagnon. “We knew there had to be a better way.”

Choicelunch started using PayScale, a cloud-based compensation software that delivers fresh data with 54 million salary profiles and 15,000 job titles. “Our first test with PayScale illuminated right away how our existing compensation rates led to high retention in one market and high turnover in another,” said Gagnon.

## Pain Points:

Gained insight into pay for unique jobs

Addressed retention issues

Increased transparency

## The Results:

### **Gained real-time insight into pay for unique jobs**

With PayScale, Gagnon and his team can ensure they're paying competitively for many different roles, not just food service positions—crucial to companies that may work in one industry but must hire across several.

PayScale's 15,000 unique job profiles make it simple for Choicelunch to review and compare all position salaries. "When you have 220 employees, all working in different roles, in different cities, it's really difficult to identify who is underpaid and who may be above market. PayScale makes that easy," said Gagnon.

### **Identified flight risks and addressed retention—within highly specific geographies**

Before PayScale, Choicelunch saw varied retention rates across cities, even though employees were making the same amount. "We were basing all our rates off our home market, assuming everyone should be paid the same. Yet turnover was really low in Huntington Beach and really high in San Jose," said Gagnon.

Because PayScale identifies compensation medians within specific geographic areas, Choicelunch can also compare and determine salaries within a single metropolitan zone, with multiple talent markets like Oakland and San Jose. "PayScale is helping us more easily identify and monitor flight risks," said Gagnon.

### **Increased transparency**

Choicelunch now makes informed, fresh decisions regarding compensation. They also have access to hard, fresh data to show employees why they're being paid as they are. "What [PayScale] really has helped do is kick start the conversation around how to design a good compensation philosophy," said Gagnon. "More than anything, I don't ever want people to feel they're undervalued. I want people to understand the value they bring and how much we value them. And nothing translates more than dollars in that regard."

## About PayScale

Cloud software, crowdsourced data and unique algorithms power the world's largest real-time database of rich salary profiles giving PayScale the unique ability to provide job seekers and employers alike immediate visibility into the right pay for any position. PayScale's cloud compensation software is used by more than 3,500 customers including Bloomberg BNA, Cummins, Warby Parker, Clemson University and Signature HealthCARE.