

How to create an effective compensation data strategy

Today's Presenters



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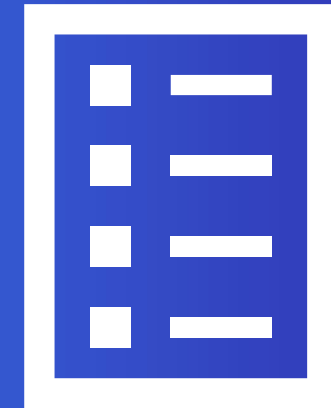


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Today's Agenda

- Overview of data sources
- Emerging trends in compensation data
- How should we be using data? What are the potential challenges?
- How to build the best data strategy for your organization





Overview of data Sources

Types of market data

Annual

HR-reported

Club/
association
surveys

Annual
surveys

Live
HR-
reported
databases

Aggregated
surveys

Publicly
available
(e.g. BLS)

Recruitment

Data from
recruiters

Job
posting
inferred
salaries

Job
posting
ranges

Anecdotal /
HR
community

Employee-
reported

TikTok /
Blind /
offer letters

Live
employee-
reported
databases

Current

Poll Question 1: What data sources do you use

- A. Publicly available data (eg BLS)
- B. Annual survey
- C. Club / association survey
- D. Aggregated survey
- E. Live HR-reported database
- F. Live Employee-reported database
- G. Anecdotal / HR community
- H. Data from recruiters
- I. Derived data
- J. Job posting inferred data (eg LinkedIn, Indeed, etc)
- K. Pay ranges from job postings
- L. Employee directly shared (eg TikTok, blind, offer letters)



**What are
the
emerging
trends?**

What's driving changes in data strategy?

Pay transparency



> Regulatory changes



> Increased employee bargaining power



> Economic uncertainty



> Cultural shift

AI revolution



> Easier to search and match data



> Ability to fill in the gaps intelligently



> ChatGPT (and others) improve access to data



> More frequent updates

World is changing



> Emerging technologies



> Data everywhere



> Skill Shortages; Tight labor market



> Pay changing faster than we've ever seen



**How should
we be using
data and
what are the
potential
challenges?**

What do you need data for?



> Structures / annual reviews



> Employee conversations



> Recruitment / promotion



> Growing your comp maturity

What do employees want to know?



Poll Question 2a: What data do you use for structures?

- A. Publicly available data (eg BLS)
- B. Annual survey
- C. Club / association survey
- D. Aggregated survey
- E. Live HR-reported database
- F. Live Employee-reported database
- G. Anecdotal / HR community
- H. Data from recruiters
- I. Derived data
- J. Job posting inferred data (eg LinkedIn, Indeed, etc)
- K. Pay ranges from job postings
- L. Employee directly shared (eg TikTok, blind, offer letters)
- M. None
- N. We don't have structures

Poll Question 2b: What data do you use for recruitment / promotions?

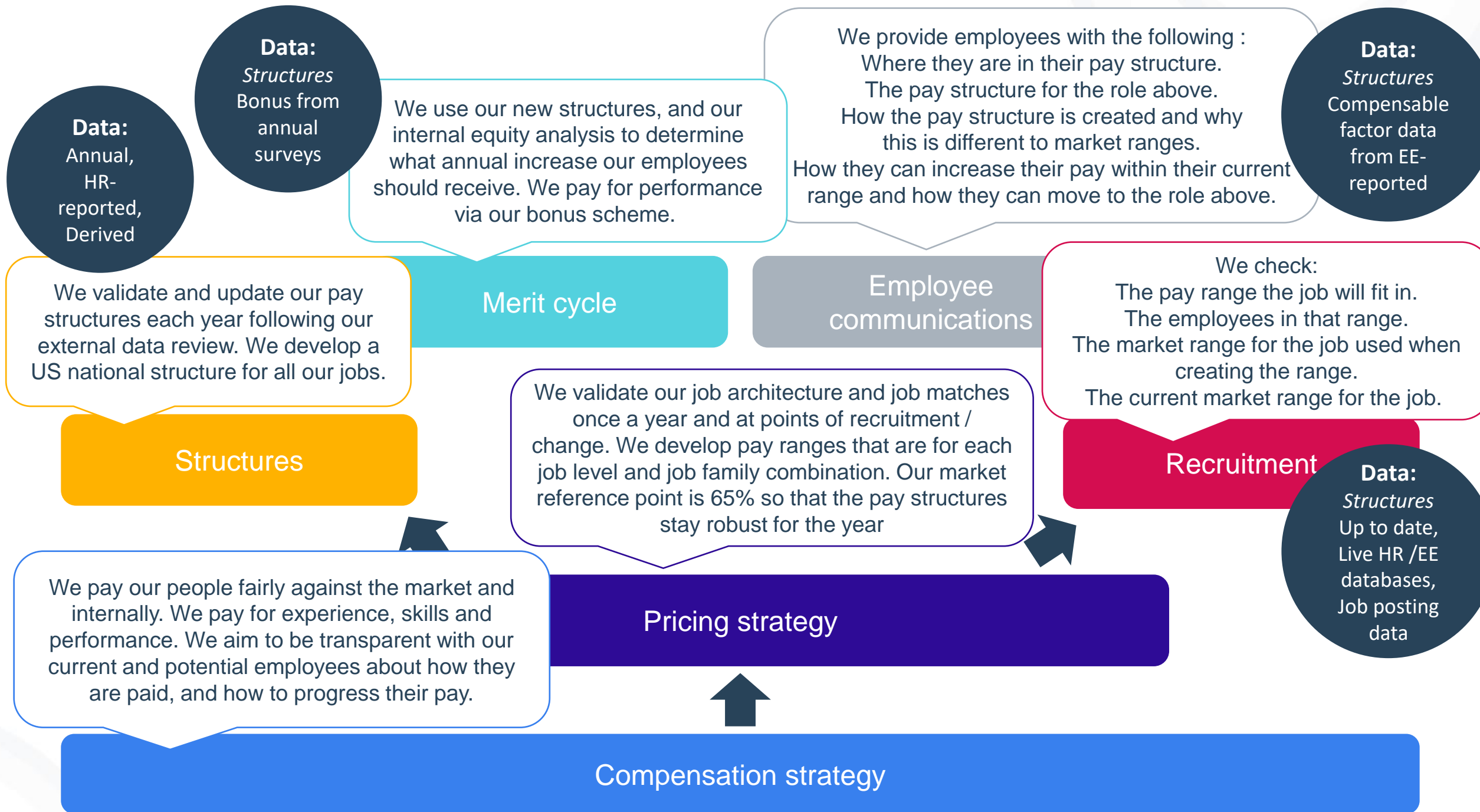
- A. Publicly available data (eg BLS)
- B. Annual survey
- C. Club / association survey
- D. Aggregated survey
- E. Live HR-reported database
- F. Live Employee-reported database
- G. Anecdotal / HR community
- H. Data from recruiters
- I. Derived data
- J. Job posting inferred data (eg LinkedIn, Indeed, etc)
- K. Pay ranges from job postings
- L. Employee directly shared (eg TikTok, blind, offer letters)
- M. None
- N. We don't do recruitment / promotions

Poll Question 2c: What data do you use for employee communications?

- A. Publicly available data (eg BLS)
- B. Annual survey
- C. Club / association survey
- D. Aggregated survey
- E. Live HR-reported database
- F. Live Employee-reported database
- G. Anecdotal / HR community
- H. Data from recruiters
- I. Derived data
- J. Job posting inferred data (eg LinkedIn, Indeed, etc)
- K. Pay ranges from job postings
- L. Employee directly shared (eg TikTok, blind, offer letters)
- M. None
- N. We don't do employee communications



Building the best data strategy for your organization



Recommendations

- ✓ Aim for consistency of methodology.
- 🔍 Aim for transparency so you can explain each number.
- 🌐 Understand the whole market.
- 📊 Understand the variety and determine when you will use them.
- 👥 Data is great! It just needs to be used well.

Payscale's Diverse & Dynamic Data Portfolio

Intelligent streams of curated, validated, compensation data

Employee Reported

The world's largest
real-time salary database

100 M salary profiles *(all time)*
40M salary profiles in use
350,000 new profiles/month
15,000 jobs
8,000 skills/certifications

HR Market Analysis

A composite of analyst curated
employer reported survey data

1 billion+ data points
4,900 jobs
15 countries



Peer

A transparent & dynamic
HR reported data network

2,400 organizations 4,500 jobs
7M employees 100+ industries

Compensation Survey

A modern, quarterly
compensation survey

1,350 organizations 6,111 jobs
2.9M employees

Published Survey Data

Trusted data partner

10,000 surveys
From 300+ publishers

AON

EMPSIGHT
compensation surveys & consulting

MERCER

MainData
GROUP

Q&A

Feel free to ask any questions in the chat!

