



Compensation management solution perspectives

Empowering people managers to talk about pay

Why organizations use customized compensation training for managers to support pay communication and transparency

Payscale is known for providing the trusted salary data and compensation software organizations need. We also have a dedicated team of experienced compensation professionals who provide customers with support on technical and strategic initiatives including custom analytics, pay communications, and trainings. In this brief, you'll learn why organizations partner with Payscale to build manager training initiatives that drive compensation strategies and take pay transparency to the next level.

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Equipping people managers to be partners in pay communications

In the past, managers often directed employees to go to HR with their pay-related questions. How often can employees expect a raise? Where does salary data come from? The standard response: Ask HR. That may have worked when questions weren't as frequent. But with the recent onslaught of equal pay laws, salary history bans, and pay transparency legislation, questions and conversations about pay are now happening daily. HR alone can no longer be responsible for providing responses to these pay-related queries.

For managers who were accustomed to rarely talking about pay, answering these questions remains daunting. They may not know where to begin, and many aren't receiving the support they need to build confidence in talking about pay. According to the [2022 Compensation Best Practice Report \(CBPR\)](#), 54 percent of organizations say they don't provide compensation training to managers.

We get it. Compensation isn't simple. That's why PayScale's team of compensation professionals partners with organizations to deliver customized compensation training for managers. Through expert guidance and practice, managers can gain the confidence they need to communicate about pay. Similarly, with training in place, HR leaders can trust that employees receive accurate information about the organization's pay practices.

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We're at a point organizationally and culturally where HR can't be the only people talking about pay. Managers also need to be knowledgeable about our compensation practices. Participating in manager training with an expert from PayScale gave our managers a solid foundation. We also gave managers access to view salary ranges in our system. Based on the training, they know how we built the ranges and that they are informed by market data. The training and data work together to support our managers in confidently communicating about pay.

Kathy White

Director of Human Resources

Habitat for Humanity, Philadelphia

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After surveying team members on their preferences, we opted to transition to a permanently remote-first workforce and were able to model costs and conduct analysis on pay strategies to develop a global approach to compensation with geographical differentials that would be fair and equitable for all team members. Delivering manager training helped us communicate our compensation strategy and rationale as part of a pay transparency initiative.

Stacey Sutela

Director of Global Compensation and HR Operations

Vista

Embedding new pay strategies in the business

Increases in the minimum wage, requirements for pay ranges in job postings, and remote-first workplaces are all examples of the rapid changes that HR departments are encountering. Unsurprisingly, 35 percent of CBPR respondents said workplace policies are now more challenging for their organization than in previous years.

With increasing frequency, today's economic, political, and cultural shifts require implementation of new pay practices and policies. Non-compliance with these policies can put organizations at risk. To ensure consistency in execution, they must lean on managers as part of the communication plan. Providing them with the knowledge and skills to explain changes is an essential step in the implementation process.

Building trust between employees and the organization

One of the most essential elements of employee engagement is building trust — and pay is a **big part of that**. Discussing pay once a year no longer cuts it with today's workforce. Accurate or not, employees now have access to salary data at their fingertips via job postings, research sites, and discussions with colleagues. Although candidates and employees may be accessing external data, a **survey from Gartner** found that a mere 38 percent actually understand how their pay is determined. This can lead to **perceptions of unfairness, decreases in morale, and even attrition**.

But all is not lost. The survey also found that when organizations educate their employees about how pay is determined, their trust in the organization increases by 10 percent and pay equity perceptions increase by 11 percent. To build trust in pay practices, a good place to start is educating people managers about compensation.

How does the organization determine if its pay rates are competitive? What is the organization doing to ensure equitable pay? What is the monetary value of other benefits? Managers must be able to credibly answer these questions. The right training ensures that they can genuinely engage and discuss every part of an employee's total rewards package. The knowledge that enables open communication builds trust and credibility and earns commitment.

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Ultimately, manager training enables trust-building moments between people leaders and their employees. Every conversation a manager has regarding how the company makes compensation decisions is an opportunity to engage with employees and positively impact retention.

Lexi Clarke

VP of People

Payscale

Organizations of all sizes trust and collaborate with Payscale's Managed Services team to ensure managers can talk about compensation with employees. The result is a tailored approach for each organization and its leaders. A deep dive into philosophy, structure, and policies increases competence about compensation. In addition, by providing a safe place to practice pay conversations, manager training also builds confidence. Additional services can provide supplementary support in the form of micro-learning videos about pay to use in employee onboarding and ongoing manager training. Most importantly, Payscale uses a customized approach to ensure each organization has what it needs to enable powerful communication about pay.

When it comes to strategic compensation management, Payscale's service offerings stand apart. Our team of compensation professionals has over 400 years of combined experience in compensation. They are focused on listening to organizations and helping them build and evolve their compensation strategies. We believe that every manager can be empowered with compensation education that supports the organization's overall pay transparency strategy.

The Payscale Services team is here to help our customers make the most of their investment in strategic compensation. [Get in touch to learn more today.](#)

About Payscale

As the industry leader in compensation management, Payscale is on a mission to help job seekers, employees, and businesses get pay right and to make sustainable fair pay a reality. Empowering more than 50% of the Fortune 500 in 198 countries, Payscale provides a combination of diverse and dynamic data sources, experienced compensation services, and scalable software to enable organizations such as Angel City Football Club, Target, United Healthcare, Gainsight, eBay, and The Washington Post to make fair and appropriate pay decisions.

Pay is powerful™

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