

Are you ready for compensation planning season?

A checklist with reminders and tips from compensation experts at Payscale to support your planning as you enter the end of year compensation cycle.

Compensation is an essential function within any business, however, initiatives around pay are much more complex today than in previous years. HR and compensation teams are trying to balance budgeting for competitive pay in a volatile market for retention and attraction while keeping an eye on the bottom line of the business.

Current employees and prospective candidates are demanding more equality and transparency while the market continues to create uncertainties around pay compression, inflation, cost-of-living, and more. There's a lot for HR and compensation professionals to consider when budgeting for the new compensation cycle, and we're here to help you get organized with reminders and tips from compensation experts at Payscale.

Compensation Season Considerations



Labor market challenges



Pay equity and compression



Optimize comp budgets



Pay transparency requirements



Data and process ready

- 1. What considerations need to go into this year's cycle?** Have things shifted internally to the company or externally in the market that you need to think about? What changes do you want to make from prior cycles?
- 2. What does the talent landscape and labor market look like?** Any impact to compensation?
- 3. What are your executives thinking about?** What is top of mind when it comes to their talent and compensation strategies?
- 4. Do you feel like you understand the current market and any impact to your employee population?** When was the last time you ran a market analysis? Are you confident in the data?
- 5. How transparent are you as an organization?** What does that mean for any communication, training or enablement efforts?
- 6. How confident do you feel about your managers having compensation conversations?** Where do you think they need more support?



Compensation Season Checklist

- ☐ Understand your own unique labor market challenges and source relevant data.
- ☐ Before making any market or merit related changes, consider potential pay equity adjustments that need to be made on the group or individual level.
- ☐ Always treat compensation as a talent insurance and ensure talent strategy is aligned with compensation strategy.
- ☐ Plan early for manager communication and guidelines so they can speak confidently on pay decisions..
- ☐ Prepare for data readiness to provide clear evidence linking reward effectiveness to business performance.

Big Wins with Payscale Compensation Planning

Payscale makes compensation planning easy. With Payscale, you get fresh salary data on how the market has changed, the ability to review employee performance alongside merit increases, and AI-powered tools and templates to model how pay increases will impact salary budgets and pay equality.

- Streamline the review process within one centralized, easy-to-use system
- Real-time visibility into review progress and stakeholder management
- Increase manager confidence when communicating pay with employees

**Learn more on what you can do now
to set your organization up for
success through the end of the year.**

[Watch full video](#)

