



Kicking off **compensation communication** cycles

Navigating the intricacies of year-end compensation communication requires a delicate balance between trust, consistency, and a clear tie-back to the organization's compensation philosophy. As organizations strive to communicate end-of-year pay decisions effectively, they often grapple with challenges related to cascading information and maintaining a consistent and predictable approach.

Establishing trust at this time (and throughout the year) is also paramount. Every year brings unique challenges, and communication strategies must be adapted accordingly. That's why leaders must proactively communicate about year-end compensation, even if the news isn't favorable.

Communication about year-end compensation requires a strategy and materials tailored to the intended audience. Organizations can use these conversations to foster an open dialogue around pay; even potentially challenging topics can become opportunities for transparency, understanding, and ultimately, a stronger connection with employees.

"As HR leaders, it's about looking at compensation planning from a holistic perspective on strategic outcomes rather than getting entangled in the day-to-day minutiae.

The key lies in the ability to navigate both the depths and heights of decision-making."

Lexi Clarke
Chief People Officer, Payscale



To maintain credibility and trust, HR leaders have to actively participate in the process — not only addressing concerns of executives and boards, but also being prepared, but also being prepared for direct inquiries from team members.

True HR leadership involves building the muscle to go deep while maintaining a clear view from the higher altitude and recognizing the nuances that can cause disruption.

Lexi Clarke

Chief People Officer
Payscale

How to kick off comp communication cycles: 3 tips for HR leaders

1

Focus on building an HR strategy that includes and reinforces a sustainable and flexible approach to compensation.

2

Serve as a strategic partner and advocate for the compensation plan. Your peers and executives will expect that you bring in-depth understanding of how comp is impacting the organization.

3

Connect regularly with your compensation leader to get a sense of how this comp communication cycle is going.



About Payscale

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