Your compensation translator

Turning your pay data into a story that resonates from the breakroom to the boardroom

Payscale

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Compensation work has shifted from managing pay to crafting the right story — a narrative employees trust and leadership champions.

The challenge? Everyone at your organization views pay differently. They speak in different dialects about compensation.

Your CFO communicates in costs. Managers talk team dynamics. Employees discuss their own paychecks.

These language differences around pay can breed conflict. And the stakes couldn't be higher. When pay conversations don't land, employees walk. Budget battles threaten business outcomes. Executives wonder about your relevance.

But here's the thing: when pay speaks in one voice, everything changes. Trust grows. Your people perform. Your business scales.

Comp experts who can't code-switch are pushed aside.

Do you want your employees to believe in your pay practices? Want to move the needle on revenue? Want a seat at the leadership table?

Learn how to decode your pay for each audience or watch your comp strategy flatline.

Explaining the why behind employee pay

You created your merit matrix with care. Pay increases are not only fair — they're larger than salary budget surveys suggest. But when managers give these impressive increases, employees' faces fall flat. They were expecting more.

The problem isn't the amount. Or it isn't only the amount. It's that you didn't equip managers to discuss the why behind pay decisions.

First question: do you have a "why"? Do you have a compensation philosophy that spells out what you reward and the goals of your program?

If so, how will you explain this to employees? Breaking pay's language barrier with workers means leading with empathy while reinforcing the facts.

Open with compassion

"You seem disappointed. Can you tell me how you're feeling?"

Pro tip: Listen to employees' real concerns. They may not even be about the increase itself. Questions about career growth often come couched in pay dissatisfaction.

Focus on accomplishments

"I really appreciate your performance on X and Y project. You really went above and beyond."

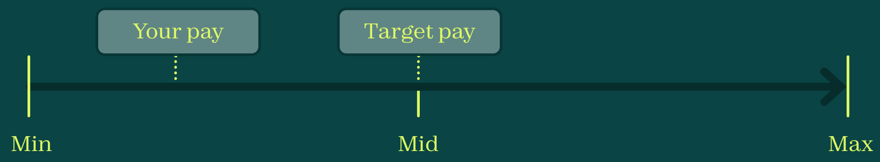
Shift to performance

"During our last review, we discussed your goals and KPIs. Your raise directly reflects these results. While you excelled in X and Y, there's room for improvement in Z. Let's discuss your development plan moving forward."

Pro tip: Don't avoid performance discussions when they impact compensation. Instead, provide clear next steps. What specific actions can an employee take to earn a larger increase or even promotion?

Address an employee's position-in-range

"You're currently at the lower end of your salary range because you're new, but here's how you can progress" or "You're at the top of your range, but we can offer you a lump sum bonus instead of salary increase."



High performers at the top of their salary range will be your toughest pay conversations. Maybe the employee is ready for a promotion. Do they have the skills to move up? What other benefits can you offer if a promotion isn't possible? Think about lump sum bonuses and perks like additional PTO or more flexible working arrangements.

Pro tip: Most organizations aim to pay between 80 to 120 percent of a role's median market value. Your compensation philosophy should lay out your competitive positioning. An employee's compa-ratio is typically based on compensable factors such as skills and experience, which you should explain in pay convos.

Keep the conversation open

"I know this isn't what you hoped to hear, but I'm invested in your success. What aspects of your work energizes you? What do you like about your job?"

Always end with appreciation

"Thank you for sharing your thoughts. I want you to know that I appreciate your contributions, and I'm always here to listen.

Notice how we skipped the comp jargon? Terms such as compa-ratio, range penetration, and market midpoint will likely cause confused stares.

Ditching compensation's geek speak is critical for making pay speak to employees.

The same applies to discussions with Finance. CFOs don't need simple explanations. They do need comp math translated into their native tongue — risk, cost, and ROI.

When you articulate how your pay strategy drives retention rates and impacts profit margins, you're no longer just speaking comp. You're speaking about pay as a strategic lever of business growth.

If you master this translation, your seat at the leadership table may soon become permanent.

The formidable language of Finance

Speaking the language of Finance doesn't require an MBA or mastering mind-twisting financial modeling. It's about showing why compensation matters and shaping a story your CFO understands.

The Finance-HR relationship isn't adversarial, but it isn't gumdrops and roses either.

It might be described as a healthy tension. And the best HR practitioners don't seek to eliminate this tension — they channel it into productive debate that drives business results.

First, understand your CFO's worldview. They operate with hard constraints. Every dollar spent on pay means a dollar not invested elsewhere.

From their perspective, employees are costs on a spreadsheet. You can remove some of these "costs." You can add costs. But you better have a good reason for doing so.

Data is the dialect of Finance. If you don't have defensible data, you'll be shooting blanks. But having the numbers isn't enough. You must prove why the numbers matter.

Your data should speak in outcomes. What happens if we raise the salaries of our Software Engineers? What happens if we don't?

Let's see how this plays out in practice.

Swap out

We need to increase salaries in marketing.

With

Increasing marketing salaries will reduce turnover by 10%, saving our company $615,000 in hiring costs.

Great, what's your evidence?

Exit data and industry benchmarks show we're underpaying our marketing team, which is driving voluntary turnover.

Swap out

Market rates have gone up.

With

Raising salary offers will shorten our time to fill.

Super, so what?

When you add up hiring managers' and recruiters' time plus lost productivity, vacant positions can cost companies up to $5,000 per week. Our average time to fill was three months. If we could reduce that to two months (or even less), we'd pocket $1,120,000 minus the cost of raising offers.

Swap out

We need to fix our pay equity issues.

With

Pay inequity is a legal liability.

What if we don't?

Settling a single pay discrimination claim costs $45,000 (on average). That's if it doesn't go to trial, which could cost us millions — not to mention the reputational damage.

Speaking the language of Finance requires hard numbers and evidence. Employee pay discussions are about a role's compensable factors and compa-ratio, but CFO convos center on business returns.

Gather similar evidence when you're talking comp with other C-suite execs. Again, they likely won't care about your comp math. They'll want to understand the tradeoffs and what to prioritize to grow your company's bottom line.

Compensation conversations for the boardroom

If data is king in creating a shared comp language for C-suite, your queen is validation.

Too many HR practitioners think data speaks for itself. When pressed about their benchmarks, they stutter.

Before explaining your comp goals to your CEO, ask yourself the following questions:

Do you have validated data?

C-suite will poke holes in your numbers. Where did they come from? Did you grab salaries from ChatGPT or do you have an integrated data strategy?

When you can explain your benchmarking methodology, the conversation changes. You're showing C-suite that your numbers are the result of rigorous analysis, not guesswork.

Is your data siloed in spreadsheets?

With leadership, how you present your data story is as important as data itself. Numbers buried in spreadsheets won't build your case.

Use compelling visuals that grab your CEO's attention — not messy spreadsheets.

Are you meeting with C-suite once a year?

Compensation isn't an annual ritual. We understand it's hard for HR generalists with a million to-dos to make comp an always-on activity. But it's the backbone of all HR activities.

Get in front of C-suite as often as possible. Show them how the market is trending. Make comp discussions part of your regular meetings.

Does your data tell a story?

Data points alone won't impress leadership. How do these numbers connect to your job architecture and compensation program? What are your organization's values and how does comp validate them?

Showing C-suite how your comp data connects with business goals and values gives you credibility.

Present your Executive Leadership team with the tradeoff between increasing your company's 401k match and handing out larger bonuses. What does your benefits survey tell you?

Give them the ROI of your suggested pay increases and tell them what departments would benefit from more TLC.

But most importantly: Make. Sure. You. Have. Evidence. Because at the end of a long day, compelling stories backed by airtight evidence don't just get begrudging approval — they earn you a seat at the table.

Dismantling pay's language barriers

Translating compensation for different stakeholders is what separates HR practitioners in the inner circle from those confined to their cubicles.

When you speak pay as business outcomes, your CFO stops seeing you as someone asking for more money and starts seeing you as strategic partner.

When you present evidence-backed data that predicts turnover risk, your CEO realizes you're not just managing spreadsheets — you're protecting profits. And when you offer employees the why behind their pay, you're building a more productive and engaged workforce.

The HR practitioners thriving today aren't just managing pay. They're positioning themselves as business strategists who happen to know comp inside and out. They've cracked the code on speaking compensation fluently for different stakeholders.

Master these translation skills, and doors will open. Your input will carry more weight.

Because when you make pay make sense for everyone across your organization, you become someone your company can't afford to lose.

Make your pay story impossible to ignore

About Payscale

Payscale is the original compensation innovator for organizations who want to scale their business with pay and transform their largest investment into their greatest advantage. With decades of innovation in sourcing reputable data and developing AI-powered tools, Payscale delivers actionable insights that turn pay from a cost to a catalyst. Its suite of solutions — Payfactors, Marketpay, and Paycycle — empower 65% of the top companies in the U.S. and businesses like Panasonic, ZoomInfo, Chipotle, Quest Diagnostics, University of Washington, American Airlines, and TJX Companies.

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