



HOW INDEPENDENT BANK USED PAYSACLE INSIGHT LAB TO REDUCE TURNOVER BY 30%

COMPANY
INDEPENDENT BANK

INDUSTRY
BANKING & FINANCE

SIZE
< 1,000 EMPLOYEES

LOCATION
MIDWEST

PAYSACLE PRODUCTS
INSIGHT LAB
TEAM
PROFESSIONAL SERVICES

HR SYSTEMS
ULTIPRO



SITUATION & CHALLENGE

Based in Michigan with branches throughout the Midwest, Independent Bank had recently activated UltiPro as its core HR system. In moving to software with HR analytics, the organization discovered some disparity in its compensation packages for employees across regions.

Independent Bank had only five levels of pay ranges that were too broad to be useful during hiring. Although the organization used a few banking compensation surveys to inform salaries, the survey data was too limited to inform all of their positions and required some subjective guesses of appropriate wages. This resulted in differences in pay for more generalized roles. The organization also struggled to attract and retain bank tellers due to pay that was below market for a job that — though entry level — required specialized skills in compliance and regulations.

Determined to improve its market presence and reputation as a company that pays well and fairly, Independent Bank partnered with PayScale to improve its compensation structure and practices and standardize pay throughout the organization. Rather than rely on ad hoc requests for pay increases from employees, the organization wanted to be able to make competitive offers at hiring as well as adjustments in compensation based on market data and company strategy.

“PayScale helped guide us on what we should be paying to stay competitive for talent within our industry and location. We now have the confidence to be transparent about pay and employees now feel they are being paid fairly.

Because our bank tellers now understand their earning potential, turnover has reduced to 23 percent. They are not only sticking around, but enhancing the customer experience, improving customer retention and growing the value of each customer.

Our success would not have been possible without PayScale. Our company has seen a huge impact as a result of this partnership, from my own personal career growth to helping our employees see fulfillment to the lasting success of our organization.”

JACK KLOTT Vice President of Total Rewards | Independent Bank

SOLUTION & OUTCOME

PayScale provided professional services to help Independent Bank develop a new pay structure based on PayScale's Crowdsourced and Company Sourced market data as well as third-party survey data. The final results are housed in PayScale InsightLab so that managers have access to salary information.

With its positions reclassified so that pay ranges now exist for each unique job, the organization can be transparent about how it pays, with rationale grounded in market data.

After conducting market analysis, Independent Bank was able to standardize pay for critical roles and resolve pay inequity issues. With more competitive wages and a clearer idea of career trajectory and earning potential for each position at the branch, turnover for the bank teller position dropped by 30 percent. In addition, the organization felt much more confident in making offers to job candidates.

Standardizing pay for bank tellers had an incredible effect. The organization is able to retain more experienced employees and spends less time training new hires. They have also seen improved relationships with customers as bank tellers now feel more appreciated and incentivized to serve clients better, enhancing the customer experience and increasing the bottom line.

A data-driven approach to bank teller pay impressed the CEO and built credibility in HR, resulting in HR guiding compensation decisions throughout the organization. Independent Bank is now engaged in an initiative to eliminate the gender pay gap within its organization. Using reporting from both PayScale and UltiPro to refine their positions, the organization has already seen the gender pay gap decrease.

ABOUT PAYSACLE

PayScale offers modern compensation software and the most precise, real-time data-driven insights for employees and employers alike. Thousands of organizations, from small businesses to Fortune 500 companies, use PayScale products to power pay decisions for millions of employees.

For more information, please visit <https://payscale.com/hr> or follow PayScale on LinkedIn at www.linkedin.com/company/payscale-inc/

CLEAR **PAY STRUCTURES** AND
CAREER TRAJECTORY
FOR BANK TELLERS

30% REDUCTION
IN **TURNOVER**

CONFIDENCE IN
NEW JOB OFFERS

ENHANCED CREDIBILITY
IN HR WITH THE CEO

