

Surprising Details on Salary Compression from WorldatWork's Total Rewards Conference Attendees

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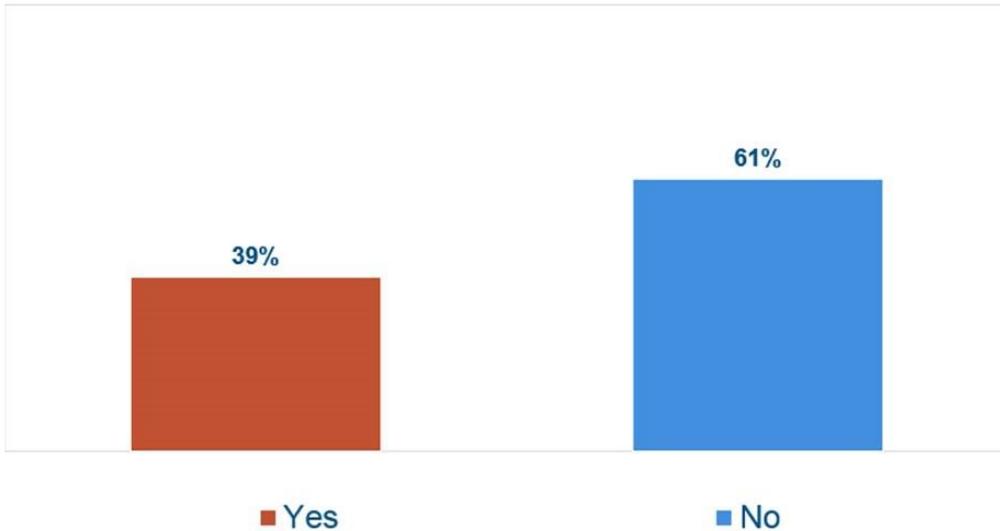
We just returned from another fantastic Total Rewards Conference hosted by WorldatWork. Hundreds of the country's top human resources and compensation professional gathered in Dallas, Texas to learn from leading industry experts. WorldatWork invited us to speak about the increasingly significant topic of salary compression and how to address it in order to retain the best talent. We were joined by two panelists: Steffany Jay, Senior Compensation Manager at Jacobs Engineering Group Inc., a Fortune 500 company, and Dylan Allread, VP of Human Resources at Wag Labs Inc., an L.A.-based start-up. They shared their unique experiences and success stories tackling the issue of pay inequity.

Our session on the first morning of the conference was attend by over 200 engaged and inquisitive total rewards professionals. Together with Dylan and Steffany, we discussed the negative impacts of salary compression, the results of Pearl Meyer's recent [Salary Compression Practices in the United States Survey](#), and practical approaches to avoid and address salary compression. Participants enjoyed their direct involvement in the session's real-time polls conducted on the conference mobile app.

We developed three polling questions to see how the audience compared and contrasted with our panelists' first-hand professional experience. Since pay transparency is directly related to salary compression, we started with the bold question, "Have you ever shared your salary information with colleagues/peers?" Thirty-nine percent of the attendees answered yes while 61% said no. Steffany joked, "HR professionals aren't supposed to disclose their pay!" and the audience erupted in laughter. Dylan followed up that he would expect the percentage to increase if asked in the San Francisco Bay Area or to technology-focused employees.

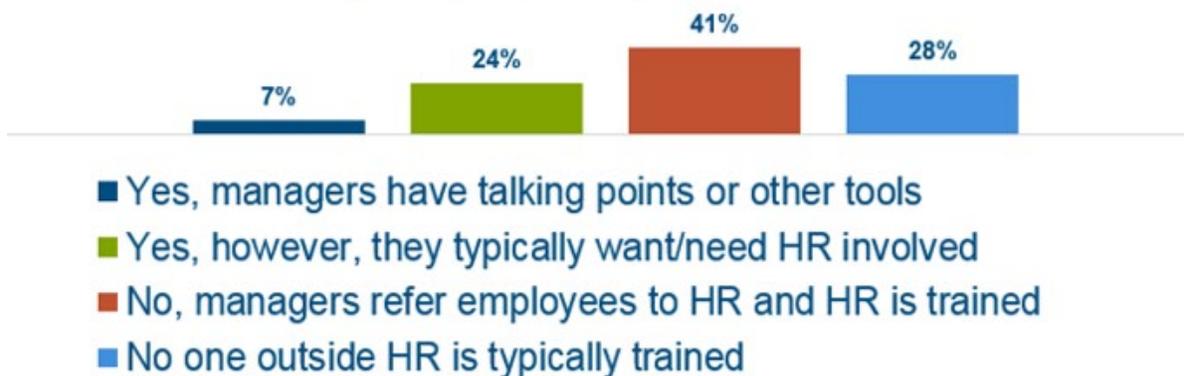


Have you ever shared your salary information with colleagues/peers?



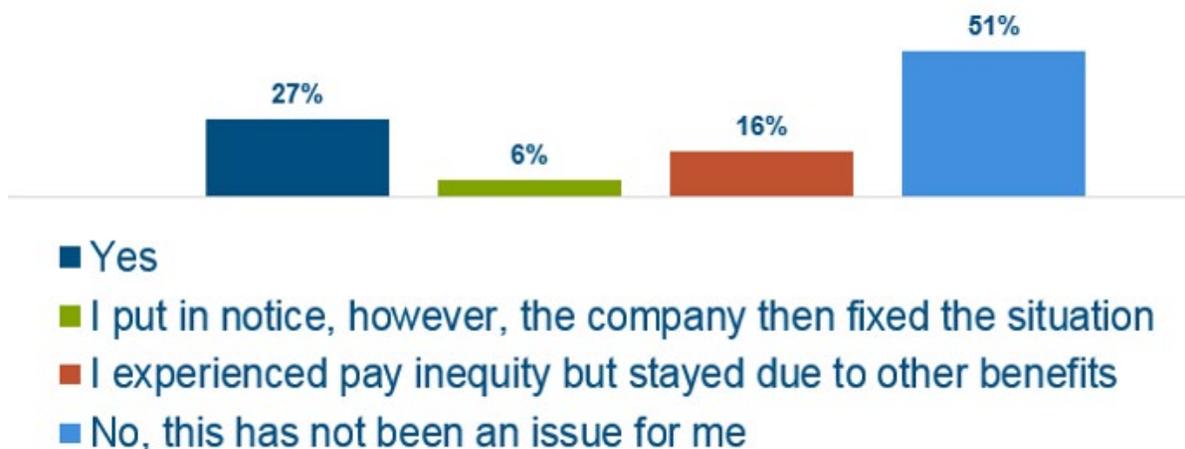
Since salary compression often requires uncomfortable conversations between managers and their subordinates we asked, “Are your line managers trained to discuss salary compression concerns from employees?” Only 31% indicated that managers are involved, while 69% revealed that this burden falls on the shoulders of human resources.

Are your organization’s line managers trained to discuss salary compression concerns brought up by employees?



Pearl Meyer's Salary Compression Practices Survey results showed that salary compression has the greatest impact on morale and retention so we asked the audience, "Have you ever left a job because you were not being paid fairly as compared to colleagues?" It was surprising that half of the audience members had direct pay inequity experience. We can only speculate what this number may be in other non-human resources roles. At the conclusion of the presentation, the audience asked several excellent questions, including one about how the external influence of minimum wage increases effects salary compression for lower level positions within organizations. Our recent Workspan article discusses this issue in more in more detail.

Have you ever left a job because you were not paid fairly as compared to colleagues



Thanks again to WorldatWork for hosting a wonderful event, we're counting down the days for Orlando in 2019!

About the Authors

Rebecca Toman is the vice president, Survey Business Unit at Pearl Meyer. In this role, she designs and publishes compensation and benefits surveys for a wide range of industries and employee populations. Rebecca recently joined the WorldatWork faculty where she will teach a course on Job Analysis and Documentation.

Wyatt Allread is a Survey Account Manager in the Boston Office. Wyatt manages a portfolio of compensation and benefits surveys as well as handles client accounts.

Wyatt earned a B.S. in Economics and Finance from Bentley University in 2015. He also completed the Liberal Studies Major Program with a focus in Earth, Environment, and Global Sustainability.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of executive compensation with business and leadership strategy, making pay programs a powerful catalyst for value creation and competitive advantage. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in New York, Atlanta, Boston, Charlotte, Chicago, Houston, London, and Los Angeles.



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