

McLagan Presents

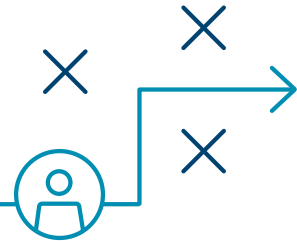
A Checklist For Fall Comp Planning

Fall is in the air, which means the start of compensation planning season for most firms. To help your team prepare, we have developed a quick checklist for keeping your pay programs up to date.

1

Review your salary structure.

Do you still have room to grow? Shifting roles and responsibilities, new office locations, and more transparent pay levels all have an impact on salary structures. In this market, assessing the stability and flexibility of your salary program allows you to obtain the most value for your merit budget.



2

Anchor your pay decisions in data.

Are you experiencing turnover? Are there roles, especially digital and tech-focused positions, where pay has moved dramatically? Have new labor market and business competitors emerged in the last year? It may be time to review how you compare to this market.

3

Audit your incentive and benefit plans.

Are your incentive plans rewarding the behavior you want to see? Take a look at how incentives and benefits align with your business strategy and best practices. Make sure management understands how the strengths, weaknesses, and risks of your HR strategy influence the employee value proposition.



4

Evaluate projected bonus payouts.

Keep a close eye on year-to-date and expected performance levels to align the sharing rate between investors and employees. Begin modeling threshold, target, and maximum incentive pool levels across your organization. Also, start planning your communication strategies for multiple payout scenarios.



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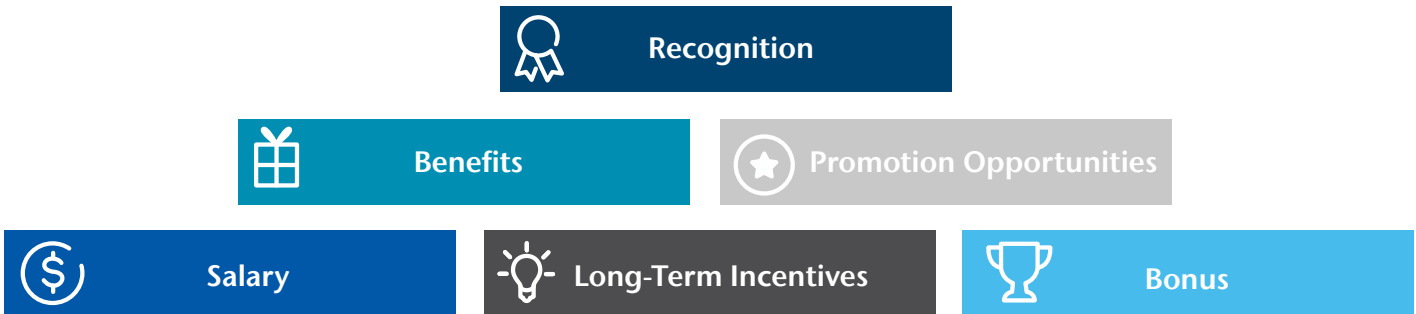
Build a merit budget playbook.

Create a meritocracy that establishes a framework for transparency, financial control, and administrative efficiency. The framework should support performance management tools and resources should be deployed to make sure all managers are properly trained.



Planning Your Employee Compensation Strategy

Ensure you align the discreet components of your compensation system to create a total reward vision.



Aligning compensation strategies to business strategies means regularly re-visiting key questions.



To learn more about effective compensation planning and how to design total rewards programs that apply industry best practices, please [contact our team](#).

McLagan is a Partner

We bring over 50 years of experience helping financial services firms reach their business potential. Partner with senior consultants at McLagan to design a customized rewards program for your firm.

About McLagan

McLagan provides tailored talent, rewards, and performance expertise to financial services firms across the globe. Since 1966, we have partnered with the largest and smallest financial services firms to help them make data-driven decisions to hire, retain, and engage the top talent for keeping the global economy running. Our compensation surveys are the most comprehensive, in-depth source of rewards data covering over 150 countries from more than 2,500 clients. Our consultants work with hundreds of firms annually to design total rewards programs and benchmark financial performance for boards of directors, executives, employees, and sales professionals. McLagan is a part Aon plc (NYSE: AON). For more information, please visit mclagan.aon.com.