Foundations in Pay Equity Consistent Practices for Sustained Success



Agenda

Overview

and Biases

Developing and Implementing Sustainable **Pay Equity Practices**

Impact of Pay equity on Company Success

Interactive Audience Questions

Core Principles of Pay Equity

Equity Identifying Common Pay Disparities









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Core Principles of Pay Equity





compensation framework.

SYSTEM JOB TITLE

SALARY

JOB FAMILY

A broad functional area used for organizing jobs into useful categories for job maintenance, compensation planning, performance management, and competency modeling.

> A system used to group jobs together that have approximately the same relative internal worth (peers) and are paid in the same range.

MAG AEROSPACE



GRADE

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The range of compensation associated with a grade that is RANGE tied to the market

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Identifying Common Pay Disparities and Bidses





Developing & Implementing Sustainable Pay **Equity Practices**





framework design elements.

Geography

Organizations need to address geographic location of their employees and assess whether small modifications can be made on an employee level basis or whether a separate salary structure is warranted.

Meets Organization's Objectives

The structure should be tailored to the organization's labor market, industry and employee population

Efficient to Administer

The structure should be simple and easily understood by the organization



Key Factors in our Framework Design





Key Factors

External Competitiveness

The structure, including midpoints and ranges, should fall within a well- defined competitive range of market findings

Internal Equity

The internal value that the organization applies to each job in relation to other jobs should be reflective of a position's assignment in the structure

Flexible, Compliant and Defensible

The structure should have capacity to adjust to changing market pay and/or the internal value of the organization's positions. Allows for ease in compliance to ensure it is defensible and provides process and rigor around job assessment





Impact of Pay Equity on Company Success







Interactive Audience Questions







Thank You!

Neil Dickinson Michelle Johnson Stefanie Legge



Download a sample pay philosophy handout from our session in the HR Gumbo app!

