

Client Challenge

With a very loyal and tenured staff, a human services agency was struggling with paying competitively, internal pay compression, and a challenging organizational culture. Due to a new strategic plan set by management, the organization needed to elevate its human capital to a higher level of competency.

Our Solution

Elevating human capital to a higher level of competency can be a difficult task. Keating Advisors implemented processes and changes to address the challenge faced by the client.

First, a competitive assessment of the organization's total compensation levels for 40-50 staff positions, including executive management, was conducted. Following the assessment, Keating Advisors gathered feedback through employee focus groups on perceptions of the work environment and shared important information with employees (i.e., value of current benefits package).

Keating Advisors also developed a market-based competitive pay structure and related salary administration policies. The salary administration policies were geared at hiring, transition, promotion, and performance/merit increases. The pay structure and administration policies created a link between the pay program and the client's strategic objectives. The new structure and policies also help to establish pay targets and guidelines designed to reflect internal job hierarchy.

Finally, a transition plan was developed to gradually move the organization to market-competitive salaries over a two-year period.

Impact

The new salary structure has been embraced by the organization and addressed issues of perceived inequity. Pay compression has decreased significantly by adjusting individual salaries and regarding select positions. The focus groups were the impetus for ongoing employee sensing, including an annual culture and climate survey.



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