

9 Steps to Producing Accurate Salary Surveys:

A Guide from Laserbeam Software

Introduction:

Market pricing is the most common method of evaluating employee compensation, including salary, hourly wages, and bonuses. Accurate data is an essential factor for compensation analysts if they are to maintain credibility with managers.

Determining a precise market rate ensures that companies will attract and retain valuable employees. It allows re-balancing of the average ranges as market conditions change. Finally, verifiable market data provides managers with exactly the right information to support discussions with their employees about the fairness of their compensation.

However, the process of developing and analyzing market data is one of the most time-consuming tasks of the HR or Compensation Analyst, often taking weeks of tedious effort to evaluate even a small portion of a company's jobs. While the steps in creating a market salary survey vary by company, many of the basic steps in the process remain the same. Following a standard procedure can help maintain consistency and accuracy throughout a company's compensation program.

The 9 Steps:

The following nine steps demonstrate a process that many compensation analysts follow to ensure accurate results.

- 1. Identify Salary Surveys for Participation.** It's common to participate in several surveys, especially for less-common jobs or to produce a broader sampling.
- 2. Participate in Salary Surveys.** Once identified, you need to pull your company information into the Survey companies format and send it in.
- 3. Receive and load data surveys.** When surveys come back, it's time to merge the results into your own and begin the comparison. Matching jobs in your organization to the surveys received will be a major component of this activity.

4. **Age the data.** Because the information provided will represent different “as of” dates, it’s necessary to bring the results to a common date for comparison.

5. **Filter data.** Some of the information provided by the survey companies will be of little use, such as too small of a sampling, so it will be necessary to remove it from your analysis.

6. **Edit data.** Often it will be necessary to edit the data received from the survey companies to better line up with your organization.

7. **Calculate market rates.** This is a mixture of art and science in which you review the results, run comparisons of your company against the market and, often, make adjustments based on a variety of factors such as company policy

8. **Produce market rate reports.** You’ll need to provide useful data to your company executives so they will know if compensation practices are trending in the right direction and to help plan budgets. Your managers benefit greatly from having the data for their employees available to support their compensation discussions or to understand the financial impact of creating a new job.

9. **Produce market rate analysis.** The only way to maintain a consistent approach is to maintain a good historical record of the analysis that went into creating the companies salary ranges in the first place.

Automating the Process:

Automating the process of participating in Salary & Bonus market surveys just got easier and more efficient. Using an online market tool can not only speed up the process of creating and participating in Salary & Bonus market surveys, but you’ll also be able to produce market rate reports quickly, too. Laserbeam Software, an experienced provider of compensation analysis software, has developed a product specifically designed to help you manage the process of market survey analysis in a more accurate and effective way.

Our newest product combines the cost-effectiveness and efficiency of SaaS, or Software as a Service, with a powerful and intuitive tool. Our online market tool is 100% hosted and supported by Laserbeam Software, allowing you to focus completely on the task at hand and leave the technical aspects to us. You can be up and running in a matter of days, with no setup fees whatsoever.

This online service allows you to:

- Instantly participate in Salary Surveys with the click of a button
- Receive and load Survey data yourself – no need to wait for us.
- Job matching is greatly simplified through a feature which uses “fuzzy logic” to view and select close matches, saving you hours of time.
- Utilize robust and easy to use aging, filtering and data editing capabilities

In addition to removing the manual aspects of conducting surveys, you'll benefit from the ability to:

- **Price 100% of your jobs quickly and easily** – removing the highly manual process of administering survey collection/integration – leaving more time for the art of analysis and recommendations
- Use the **Job Matching feature** that includes intelligence to find “close” matches, saving you tons of time when loading initial surveys

Conclusion:

The analysis you provide regarding the market value of jobs is vital to your company. The recruitment and retention of top employees while maintaining equitable distribution for all employees is critical to the financial health of any company. With new technology enabling you to annually review 100% of the job roles in a fraction of the time it took you to review 20%, your data could become even more indispensable to your company. **Laserbeam Software's Online Market Tool** allows you to follow the basic nine guidelines while still ensuring the accuracy of a manual survey.

To learn more about **Laserbeam Software**, log onto www.laserbeamsoftware.com or contact us at info@laserbeamsoftware.com or (925) 459-2595.