



This is a concern especially when a company is in the growth phase.

We identified 6 key positions in the organization and conducted a market survey to benchmark it vis-à-vis the industry to understand how competitive the company was with respect to compensation in the industry.

Diagnosis

The compensation benchmarking survey showed us that while the salaries were competitive at the entry level the salaries at the mid and higher levels did not match industry standards.

We were able to calculate exactly how much the deviation was and the amount of catch up required to reach the industry median. The company salary bands were quite low and hence hiring was being done at lower salaries, losing out on better quality candidates.

Action

- Salary bands revision was proposed in order to make the company more competitive in the market and attract better talent.
- We proposed re-designing the compensation structure to include parameters such as:
 - Performance-based increments in order to reward employees performing better and motivate others to improve performance.
 - Tenure-based increments to reward longer tenure with the company to address the issue of high attrition among trained staff.
 - Increased salary bands for various levels to ensure that employee salaries fall within the revised bands.

- We presented different salary structure options which could make them more competitive in the market. The financial impact on the organization was also presented for each of these options.
- We implemented the option selected by the company and revised the compensation structure for every employee of the company.

Result

There was a 7% reduction in the attrition rates and the Company was able to attract better talent from the market.

COMPENSATION

BENCHMARKING SURVEY

“ Our attrition rates are as high as 33%... for a company in the growth phase, we're also not able to attract talent... ”

- A Design House in the Media Industry.