

Compease

Info Packet

Overview

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Compease, a comprehensive, automated salary administration program, provides the tools you need to ensure that your compensation program is competitive in your labor market, equitable within your organization, and flexible enough to recognize individual differences in performance.

The software was developed in 1996 by Koker, Goodwin & Associates, a compensation consulting firm. HRN Management Group has been installing and supporting this powerful salary administration solution since 1997. The program is designed to be beneficial to all types and sizes of organizations and has been installed in companies of 5 to 1200 employees.

Program Benefits & Features

Job Evaluation Ensures Fairness Within Your Organization

The job evaluation component is important to establish the relative value, or internal equity, of all jobs within your organization. Each job is evaluated based on eight compensable factors, including the degree of knowledge, skill, accountability, and problem solving required to perform the job. Based on the evaluation, the job is assigned a grade. Job evaluation is especially important when dealing with "hybrid" jobs or those for which good market data are not available.

Salary Ranges Created Reflect Pay Rates in Your Market, Ensuring Your Compensation Program Remains Externally Competitive

We constantly gather new salary information from many sources to ensure that it is reliable and current. Industry-specific data are then used to create salary ranges that are matched to your geographical location and organizational size. As a result, you can be assured that your salaries remain competitive, employees aren't underpaid or overpaid, and that you continue to attract and retain high performers.

Salary Budgets and Merit Increases Are Appropriately Controlled

Simple tools assist you in planning and controlling salary budgets and increases. Fair and objective merit increase plans are created in minutes based on your budget constraints, individual employee performance, and compa-ratio (position-in-range).

Annual Updates Keep Your Salary Ranges Current

Update disks, which include the latest salary data and revised salary ranges, are provided annually. Program maintenance is simple. Information is also included regarding the change in the Consumer Price Index and anticipated merit increase budgets for your peer group.

Job Descriptions

Pro forma job descriptions covering many positions are included.



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Sound Compensation Programs Reduce Litigation Risks and Employee Dissatisfaction

Employee trust and satisfaction increase as they understand that a professional, fair, and objective salary system is in place. Pay related conflicts are reduced. Potential legal actions associated with unfair or discriminatory pay practices may be avoided.

Compease Acts as Your In-house Compensation Consultant

The very affordable, automated system eliminates the need to purchase expensive salary surveys and weeks of staff time implementing and maintaining your compensation program.

Professional Installation

Compease was designed to be easy to install and simple to maintain. Typically, onsite customization is completed in one day and included in the total fee. This includes computer setup, employee data entry, job evaluation of all positions, merit matrix determination, and salary budget analysis. We will also train your key staff so you can keep the system running smoothly.

Additional Information

The information that follows has been prepared to illustrate the primary features of *Compease*. Sample screen shots for jobs in a typical organization have been included. Actual salary ranges for these jobs in your employment structure would depend on your particular circumstances, the content of your job, how it is evaluated, and where you are located.

We encourage you to review this material. We think you will be favorably impressed with what the system can do for your organization.



Competitive Salary Ranges Are Established Through Job Evaluation and Sound Market Data

We all conduct our own unscientific evaluations to determine whether our pay is “equitable” within our companies and “competitive” within the labor market. If we conclude we are not being fairly compensated we have some creative ways of letting management know, including limiting our output, complaining to anyone who will listen, and finding another job. The *Compease* Job Evaluation System, coupled with *Compease* Salary Ranges, addresses the concerns of internal equity and external competitiveness.

Job Evaluation

The job evaluation system provides a logical way to establish the relative value of a job within your business. By determining the level of knowledge and skill, problem solving, and accountability associated with a job, you can establish internal equity between jobs.

Because the *Compease* job evaluation process is automated, it is easy to compare evaluations between jobs. This comparison validates your evaluations and provides confidence that your compensation system is internally equitable. It also simplifies the sometimes tedious job evaluation process.

Update Job Evaluation

Title:

Job Family: Grade: Overridden Grade:

Classification: Points:

Experience	4	Two years to five years of similar or related experience.
Education	3	Equivalent to a two-year college degree or completion of a specialized course of st
Scope of Skill Applicati	1	Has no supervisory/managerial responsibilities.
Interpersonal Skills	2	Courtesy, tact, and diplomacy are essential elements of the job. Work involves pe
Operational Latitude	3	Diversified procedures, specialized job standards, and specific policies limit the latit
Mental Process	2	Problems encountered are relatively simple in nature, requiring some analysis or res
Organizational Impact	2	Could have a minor impact on current financial results and/or may result in conseq
Organizational Latitude	2	Moderate supervision and inspection of work. Errors can be difficult to detect but

Salary Ranges

Salary ranges are developed based on extensive salary data collected for selected “benchmark” jobs and adjusted to reflect local market pay practices, and your company’s size, and industry. Jobs can then be easily placed in the appropriate ranges based upon the job evaluation process.

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Compa-Ratios

Compa-Ratios Provide Information for Managing Employee Compensation

Compa-Ratios are used to explain how an individual, department, or organization is paid relative to the market for comparable jobs. Expressed as a percentage of the "market rate," it provides management with the information needed to make informed decisions regarding individual pay increases and merit increase plans. It is also useful for tracking progress toward meeting your compensation goals, to identify potential problem areas, and to formulate plans to resolve them.

- A compa-ratio of 100% signifies that the person is being paid a rate that is equal to the average paid within the market for fully qualified people in comparable positions.
- A compa-ratio of 120% indicates the employee is being paid in the top 85% to 90% of the market. Long-term employees who have been in the same positions for some time and have consistently performed at the highest levels would be at the upper end of their salary ranges. In practice, few employees ever make it to the top of their salary ranges since most high performers are promoted to higher-level positions before they make it to the top of their salary ranges.
- A compa-ratio of 80% indicates the employee is being paid in the lower 15% to 20% of the market. New employees or employees recently promoted to more demanding positions would have low compa-ratios. Poor performers should be encouraged to find work elsewhere, preferably with your competition.

Compa-ratio reports can be printed by job title, department, and overall for the organization. We use the compa-ratio reports to assist in developing compensation plans and to resolve problem areas.

CompaRatio Report									
Prepared on:	4/25/2003	Assets:	\$ 50,000,001	Thru \$	70,000,000	Location:	Wichita, KS	Page:	1
Department	Employee Name	Title	Grade	Date In Position	Mid Point	Current Hourly	Annual Salary	Compa Ratio	
Executive - Salary - Full Time									
Executive	Koker, Clinton R	President	18	01/01/1991	\$86,510.00		\$81,000.00	93.6%	
	Wright, Doug D	Executive Vice President	15	03/05/1986	\$59,639.00		\$54,180.70	90.8%	
Total CompaRatio for: Executive - Salary - Full Time							\$135,180.70	92.5%	
Exempt - Salary - Full Time									
Lending & Collections	Brownback, Joan S	Consumer Loan Officer	8	10/21/1995	\$27,064.00		\$29,942.50	110.6%	
Total CompaRatio for: Exempt - Salary - Full Time							\$29,942.50	110.6%	
NonExempt - Hourly - Full Time									
Finance & Admin	Brown, Sam W	Bookkeeper	7	05/08/1996	\$11.70	\$11.38	\$23,670.40	97.3%	
	Smith, Ron S	Card Processing Clerk	6	01/01/1996	\$10.52	\$9.94	\$20,675.20	94.5%	
Lending & Collections	Kreps, Teri I	Collector	7	11/15/1989	\$11.70	\$12.80	\$26,624.00	109.4%	
	Heise, Lance Q	Card Processing Clerk	6	07/12/1993	\$10.52	\$9.49	\$19,739.20	90.2%	
Main St. Branch	Bush, Rondia W	Teller	4	11/25/1995	\$8.51	\$8.85	\$18,408.00	104.0%	
Member Services	Schmucker, Lee	Member Service Rep	5	01/25/1998	\$9.46	\$9.04	\$18,803.20	95.6%	
Paying & Receiving	Kain, Steve	Teller	4	12/24/1995	\$8.51	\$8.48	\$17,638.40	99.6%	
Total CompaRatio for: NonExempt - Hourly - Full Time							\$145,558.40	98.7%	
NonExempt - Hourly - Part Time									
Member Services	Torkelson, Gwen Q	Member Service Rep	5	06/17/1996	\$9.46	\$10.10	\$10,504.00	106.8%	
Paying & Receiving	Cruise, Kevin P	Teller	4	05/15/1997	\$8.51	\$7.90	\$8,216.00	92.8%	



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Annual Merit Increase Planning

Annual Merit Increase Plans

The *Compease* Salary Administration program is designed to help you develop fair and objective merit increase plans based on your total merit increase budget, individual employee performance, and individual compa-ratios (position-in-range). Because it's automated, your plans can be developed in a matter of minutes. In fact, the overall merit pool can be changed with a few simple keystrokes, allowing you to "test out" a variety of scenarios.

This is a real timesaver. Many of our clients have purchased the system so they could stop spending untold hours each year developing spreadsheets or paper projections. With *Compease*, the process is done in minutes.

The system gives you the flexibility to develop merit increase plans around your own compensation policies and needs. With *Compease*, it is simple to develop plans by branch, department, job title, etc. The system allows you to establish up to nine different versions of merit increase plans.

HRN and KG&A also provide you with annual salary range updates on a diskette. Included with the update is our report identifying the percentage change in your salary ranges, the change in CPI for the year, and merit increase budgets for your peer group for the coming year. This information, along with your compensation strategy, is used to develop your annual merit increase plan.

Annual Compensation Plan reports are available by department, branch, company, and employee.

Merit Increase Matrix					
Performance Level	CompaRatio (Position in Range)				
	1	2	3 Market	4	5
	0.00% to 91.00%	91.01% to 97.00%	97.01% to 103.00%	103.01% to 109.00%	109.01% 999.99%
Far Exceeded	7.00%	6.50%	6.00%	5.50%	5.00%
Met	5.00%	4.50%	4.00%	3.50%	3.00%
Met Minimum	3.00%	2.50%	2.00%	1.50%	1.00%
Unacceptable	0.00%	0.00%	0.00%	0.00%	0.00%



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Salary Budgeting and Planning

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Compease is designed to assist you in preparing your overall salary budget. The merit increase matrix that you develop, together with information about each employee's compa-ratio and performance rating, combine to create a comprehensive budget report. Your budgeting and planning process has never been easier.

Prepared on: 4/25/2003		Annual Compensation Plan for Wright, Doug D For Fiscal Year Ending 12/31/2003 Version 1															Page: 1			
Sort	Last Increase Date	Next Increase Date	Hourly Rate	Annual Salary	Compa Ratio	P	P	Since Last Merit Inc.	Adj. %	O	Merit Increase Percent	Merit Increase Amount	Merit Increase Percent	Merit Increase Amount	Hourly Rate	Annual Salary	Compa Ratio	2003 Payroll Expense		
BrSa1			Hourly																	
BrSa2	10/04/2002	10/04/2003	7	\$1138	\$23,670.40	97.3 %	3	1	7	6.00 %	12	0.00 %	6.00 %	\$1,414.40	0.00 %	\$0.00	\$12.06	\$25,085	103.1 %	\$24,024
CrKe1			Hourly																	
CrKe2	07/12/2002	07/12/2003	4	\$790	\$8,216.00	92.8 %	2	2	11	4.50 %	12	0.00 %	4.50 %	\$374.40	0.00 %	\$0.00	\$8.26	\$8,590	97.1 %	\$8,403
HeLa1			Hourly																	
HeLa2	08/16/2002	08/16/2003	6	\$949	\$19,739.20	90.2 %	1	1	2	7.00 %	12	0.00 %	7.00 %	\$1,372.80	0.00 %	\$0.00	\$10.15	\$21,112	96.5 %	\$20,197
KaSt1			Hourly																	
KaSt2	01/01/2002	01/01/2003	4	\$848	\$17,638.40	99.6 %	3	2	1	4.00 %	12	0.00 %	4.00 %	\$707.20	0.00 %	\$0.00	\$8.82	\$18,346	103.6 %	\$18,246
ScLe1			Hourly																	
ScLe2	02/22/2002	02/22/2003	5	\$904	\$18,803.20	95.6 %	2	1	9	6.50 %	12	0.00 %	6.50 %	\$1,227.20	0.00 %	\$0.00	\$9.63	\$20,030	101.8 %	\$19,826
SmRo1			Hourly																	
SmRo2	06/05/2002	06/05/2003	6	\$994	\$20,675.20	94.5 %	2	2	6	4.50 %	12	0.00 %	4.50 %	\$936.00	0.00 %	\$0.00	\$10.39	\$21,611	98.8 %	\$21,221
ToGw1			Hourly																	
ToGw2	11/02/2002	11/02/2003	5	\$10.10	\$10,504.00	106.8 %	4	1	8	5.50 %	12	0.00 %	5.50 %	\$582.40	0.00 %	\$0.00	\$10.66	\$11,086	112.7 %	\$10,601
Total					\$119,246.40	96.0 %							6.00 %	\$6,614.40	0.00 %	\$0.00		\$125,861	101.4 %	\$122,618



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Ordering and Contact Information

Ongoing Support

HRN Management Group will provide ongoing phone support at no additional charge for as long as you maintain your *Compease* license. We have compensation professionals available to assist you with any compensation questions you may have, whether they are about the software, a job, a salary range, or your annual merit increase plan.

Contact HRN Management Group

To check pricing, make an order, or have your questions answered, contact us via:

Phone: (800)940-7522, Monday through Friday, 7:30 am to 5:00 pm MT

Online: www.hrnonline.com

Email: info@hrnonline.com

About HRN Management Group

Founded in 1989, HRN develops practical and effective HR products that are time tested, content rich, and on the cutting edge of technology. These practical products and services are designed to simplify and improve human resource management and regulatory compliance. HRN's commitment to product excellence and superior customer support distinguishes us from the competition.

HRN's Other HR Solutions

See our complete line of HR solutions at www.hrnonline.com

- Performance Pro
- HR Suite
- Employee Handbook Plus
- State and Federal Employment Law Guide
- Employment Law Self Audit
- Job Descriptions Plus
- Surveys Online

