



Focus On

Compensation Planning & Analysis Tools

*Taking Advantage
of the Information Highway*

BY ELLIE KUYKENDALL,
ASSOCIATE EDITOR

Click. Double Click. A new browser window opens and a world of information opens with it. This isn't just any information—it's information you can use to assist you with planning and implementing benefits and compensation for your employees. Compensation planning and total rewards system, 401(k) tools and pension benefit estimator, custom salary surveys and online pay and benefits information—all these programs and more assist you, your managers and employees in making the most of your time.

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ONLINE COMPENSATION PLANNING TOOLS

One of the most popular online tools is compensation comparison for future planning. Using these tools is effective if you follow the advice given by a company that's been through the process already.

"We had a client in Southern California where we're based, but they had several locations around the United States. They were thinking of opening a new department in another location and wanted to staff it with 15 people. They wanted to know where they should create the development team based on the cost of living and compensation of programmers," said Marc Rodriguez, recruiting manager for Irvine Technology Corporation, an outsourcing firm.

"We didn't have the information we needed, so we started looking at services that could provide information in those cities."

Based on that experience, Rodriguez offers the following tips for companies needing comparative compensation information:

- Make your request general. If you just type in programmers, you'll get more information than if you type in a specific type of programmer.
- Find out from the provider you're considering how often the information on the site is updated.
- Ask the potential provider how large their sample size is.
- Inquire as to how many surveys they have and in what areas.

- Request information ahead of time about how much information the provider has on the titles and skills you need.
 - Comparison shop. Prices vary widely.
- To the providers, Rodriguez said, "I'd like to see you giving more specific information about compensation in the IT industry and more information on full-time versus independent contractors."

WEB-BASED BENEFITS TOOLS

A recent biennial electronic communication survey by WorldatWork and Buck Consultants found "Online benefits information has grown from 24 percent in 2001 to 88 percent today. Summary plan descriptions are now on 76 percent of organizations' sites, compared to 52 percent in 2003 and 24 percent in 2001."

According to Jerry Stevenson of Stevenson Consulting in Dallas, TX, online benefits tools are necessary in today's workplace. "There's no doubt that companies are moving in this direction. Companies should ask themselves several questions.

- ✓ How will your company use these tools? Will you set the tools up on your company intranet or use an Internet service?
- ✓ What's the nature of your workforce? White collar workers will use these tools more effectively than blue collar workers.
- ✓ Which tools make the most sense? You don't need an internal system for everything when there are companies with good

BENEFITS AND COMPENSATION

We asked companies that provide Web-based benefit and compensation tools five questions to help you decide if these tools may be right for your company.

- 1). How long has your company been in business?
- 2). What Web-based tools does your company provide?
- 3). How many clients with more than 500 employees does your company have?
- 4). Do you have any vertical market specialties?
- 5). Are your tools available to managers, employees or both?

BENEMAX – THE BENEFIT MANAGEMENT COMPANY

7 West Mill St., Medfield, MA 02052

800-528-1530 – www.benemax.com

Plan Contact: David Cowles, Co-founder & Principal, 800-528-1530 x 117, Dave@Benemax.com

1. 30 Years
2. 2nd Opinion: a 15-page review of member's diagnosis and treatment plan, authored by a Harvard Medical School faculty member; Design Online: design and price a health plan for your company; Evaluate: compare current plans with market averages and available options; Virtual Benefit Manager: ask claims and benefit questions over a secure web link; My Company: access details of benefit plans and read employer messages; Enroll: online enrollment and census management
3. 20
4. Automotive, financial services and private equity groups
5. Both

"Our Benemax online "toolbox" lets users to interact with insurance and health care professionals who work as independent advocates to optimize patient care and facilitate claims payment."

– David Cowles, co-founder and principal, Benemax



BUCK CONSULTANTS

1 Penn Plaza, NY, NY 10119

212-330-1000 – www.buckconsultants.com

Plan Contact: Scot Marcotte, Principal Electronic Communication Leader 312-846-3420, Scot.Marcotte@buckconsultants.com

1. 90 years
2. Strategic guidance; Personal, role-based portals; Functional portals for executives, HR departments, the board, etc.; Online total rewards systems; Comprehensive employee and manager self-service systems; Onboarding, retirement, severance and other workflow systems; HR metric dashboards; Document management; Decision support tools; Project collaboration tools; Electronic learning; Enrollment systems; Targeted messaging; Industry and employee surveys; Modeling capability; Administration and reporting systems; Recruiting solutions; Compensation planning
3. 2,500
4. Buck Consultants serves clients in virtually every industry.
5. Both

"Buck provides online services that maximize the employee-employer relationship. Our end-to-end solutions help clients attract, motivate and retain key performers, while enabling informed decision-making and self-service for all stakeholders."

– Scot Marcotte, principal electronic communication leader, Buck Consultants



reputations that can give you the tools you need for consistent pricing, and you leave the day-to-day management to them so you can focus on what you do best.

“A large company with many different job types can reduce staff and time by using Web-based tools. If you don’t have high turnover and don’t have to deal with lots of complexity, there may be a system that is more appropriate for you,” said Stevenson.

Benefits administration and enrollment for managers and online consumer information for employees save time for all involved. Tools should be user-friendly and not require hours of training.

GENERAL CONSIDERATIONS AND PRIVACY ISSUES

Don’t expect your company to go totally paperless because of online benefits and compensation tools. Decide what proportion of your employees and managers can use the tools effectively.

Avoid having kiosks underused because they are set up on a shop floor where there is no privacy. Consider placing them in a private room with cubicles to ensure employee privacy.

Providers of these tools are constantly upgrading their offerings, so stay on top of the latest developments.

“You don’t have complete control over your own data when you have a third party access your data,” said Stevenson. “However, leaks of confidential information are more likely to come from inside your

own company than from an outsider or hacker who’s trying to break into the system.

“The other side of the issue is that you set up a contract with your provider, and it will say that the provider is liable for making sure the data is safe.”

Privacy policies are critical in this field, and you should evaluate them carefully when choosing a provider. “Find out how they protect your data,” said Stevenson.

TRENDS

During the next several years, you can expect to see more tools that allow employees to collaborate with others on the same compensation level and will tie to their compensation levels.

Some tools featuring stronger connections between performance measurement and compensation levels are available now, but there will be more of these.

More employee health and welfare benefits transactions or self-service will also be available and will continue to fuel the consumer-driven health care trend.

By evaluating your workforce and carefully considering your choice of provider/s for online benefits and compensation tools, you will be able to use these tools to help your organization focus on productivity and achieve the results you need.

PROVIDER PROFILES

CHECKPOINT HR

2035 Lincoln Hwy, Suite 1080, Edison, New Jersey 08817

732-287-8270 – www.checkpointhr.com

Plan Contact: Tina Freedman, Director of Marketing, 732-287-8270, tina.freedman@checkpointhr.com

1. 5 Years
2. Performance reviews; Employee manuals; Job descriptions; Salary comparisons; HR helpdesk; Background checks; Skills validation; Job posting and filters; Employee assistance programs; On-Line learning HR training; Payroll; New hire reporting; Ad HOC report writer; Garnishments unemployment services; COBRA; Benefit enrollment; Benefit statements; Carrier interface; Employee self service; Manager self service
3. 20% of our clients exceed 500 employees
4. Financial services, manufacturing, auto dealerships, IT development, health care and hotel
5. Both

“As a leading Administrative Service Organization, CheckPoint HR’s Web-based Human Resources Management (HRMS technology platform) offers an affordable, innovative solution to manage payroll and benefits administration, as well as other business-critical human resources processes. “



– Tim Padva, president, CheckPoint HR

MERCER HR SERVICES, A SUBSIDIARY OF MERCER HUMAN RESOURCE CONSULTING

One Investors Way, Norwood, MA 02062

877-745-4736 – www.mercer.com

Plan Contact: Mary Tinebra, 212-345-7652, mary.tinebra@mercer.com

1. 24 years
2. Automatic portfolio rebalancing tool for 401(k) plans; Systematic deferral increase tool for 401(k) plans; Retirement goal calculator for 401(k) plans; Absence management tool; Health care estimator; Pension benefit estimator; Retire@Ease Planner(TM); Enrollment; Reporting and analytical tools; Absence management tool
3. 3,405 (US)
4. All
5. Both

“Mercer HR Services offers user-friendly, self-service tools for both employers and employees to enhance the efficiency of benefits programs and help employees make informed decisions about their benefits options.”

– Mary Tinebra, Sales Leader, Mercer HR Services



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PAYSCALE, INC.

316 Occidental Avenue, Suite 310, Seattle, Wash. 98104

206-223-7590 – www.payscale.com

Plan Contact: Mike Hayes, VP Business Solutions, 206-812-4546, mikeh@payscale.com

1. 4 years
2. Pay metrics, salary reports, custom salary surveys, Web services for application-to-application communication
3. PayScale does not disclose the breakdown of client company size.
4. IT, health care, financial services, construction, manufacturing, administration support, executive, HR, accounting and sales
5. Both

“PayScale runs the world’s largest online salary survey providing real time pay information, including years in field, education/certifications and skills. We help compensation professionals see the people behind the job titles in their salary data.”



– Mike Hayes, VP Business Solutions, Payscale

RW BENEFIT COMMUNICATIONS

10105 E. Via Linda Ste. 103 #236, Scottsdale, AZ 85259

480-767-3531- www.benefitstatements.com

Plan Contact: Romy Wightman, romyw@benefitstatements.com

1. 8 years
2. Online Total Compensation Statements, Online Enrollment
3. 20
4. No
5. Both

“RWBC offers tailored total compensation statements and online enrollment services, which are both “rules” based. For our clients, this means their sites are built specifically for their offerings and allow complete customization.”



– Romy Wightman, principal, RW Benefit Communications

SALARY.COM, INC

195 West Street, Waltham MA 02451-1111

781-464-7300 – www.salary.com

Plan Contact: Bill Coleman, Senior Vice President of Compensation,

781-464-7878 – bcoleman@salary.com

1. 7 years
2. Enterprise and SMB market pricing tools; Executive compensation benchmarking tools; Survey management tools; Workforce analytics and salary structure modeling tools; Enterprise compensation planning and performance management tools; Salary and benefit surveys; Personal salary reports
3. We don’t disclose our number of enterprise clients.
4. Health care, manufacturing and retail
5. Both

“Salary.com’s on-demand technology is designed by certified compensation professionals and is fueled by hard data and expertise to help HR and business professionals effectively link people, pay and performance.”



– Bill Coleman, senior vice president of compensation, Salary.com

SUCCESSFACTORS

999 Baker Way, Suite 500, San Mateo, CA 94404

800-809-9920 – www.successfactors.com

Stacey Epstein, Senior Director, Marketing Communications 650-645-2035, sepstein@successfactors.com

1. 5 Years
2. Goal alignment; Performance reviews; Succession management; 360 degree assessment; Career development; Compensation planning; Competency management; Employee survey; Analytics and reporting
3. 262
4. Financial services and insurance, health care, manufacturing and energy, service and retail and technology
5. Both

“SuccessFactors, used by 1.8 million users and 350 customers, is the only integrated, on-demand performance and talent management solution to effectively link performance and compensation to create pay-for-performance cultures in organizations both large and small.”



– Lars Dalgaard, CEO, SuccessFactors

TOWERS PERRIN

One Stamford Plaza, 263 Tresser Blvd., Stamford, CT 06901

203-326-5400 – www.towersperrin.com

Plan Contact: Tom Keebler, 215-246-6184, tom.keebler@towersperrin.com

1. 72 years
2. Employee self-service; Manager self-service; Web portals including total rewards, health, retirement and other benefit program portals; Decision-making tools; Onboarding sites
3. We do not disclose names/numbers of clients.
4. Across industries.
5. Both

“Towers Perrin has deep expertise in all aspects of HR strategy and HR effectiveness; this naturally enables us to develop and implement solid HR technologies and solutions that help our clients achieve their business goals.”



– Tom Keebler, Global Practice Leader, HR Technology

WATSON WYATT WORLDWIDE, INC.

901 North Glebe Road, Arlington, Virginia 22203

703-258-8000 – www.watsonwyatt.com

Plan Contact: 703-258-8000

1. 128 years
2. PensionPath (pension administration solution); BenefitConnect (benefits administration and consumer education); Reward (compensation automation); eStatements (pay and benefits information); AnswerKey (HR contact center); HR Portal (HR content, applications and data)
3. FY05 North America Total: 2017
4. No.
5. Both

“Our uniquely flexible model lets companies choose the level of outsourcing that is right for them. They can use the tools, or we can provide outsourcing services for them.”



– Richard S. Hubbard, global practice director, technology solutions practice management committee, Watson Wyatt & Co.

