



Human Capital Solutions

Core Compensation Consulting Services



How you compensate the people in your organization affects the success of your entire organization. In addition to the significant financial impact of your payroll, your compensation plans can help or hinder other important messages you deliver on ethics, public relations, risk management, and the products and services you offer. Crowe compensation consultants know the importance of aligning your reward programs to one another and to the public reputation you seek.



Core Compensation Programs

There are typically four programs in place for every organization type:

Base compensation is the fixed pay given to employees for performing specific job responsibilities. Whether provided in salary or hourly amounts, how pay is determined affects who expresses interest in your organization, accepts your job offers, and stays long enough to provide a return on your talent investment.

Incentive compensation is the variable component of total rewards. This pay type does not work for all cultures. It is, however, a very effective way to make a pay-for-performance strategy tangible. Incentives can also provide additional rewards to high performers.

Executive and director compensation recognizes the unique contributions of and regulatory requirements for these roles in an organization. Longer-term components and job-related perquisites still require definition and justification to maintain both competitiveness and consistency in application.

Reasonable compensation addresses the board of directors' fiduciary responsibility to avoid excessive compensation (that is, excess benefit transactions). The importance of how, when, and the basis of pay decision-making is critical to establishing a rebuttable presumption of reasonableness.

Crowe Compensation Services

Base Compensation

- Market pricing using published and/or private survey data to determine external competitiveness levels
- Job evaluation using point-factor plans to determine internal job worth
- Salary structure development to formalize pay ranges and targets by position and job level
- Pay administration guides to clarify how pay decisions are made
- Monitor base pay effectiveness through key performance metrics and ROI analysis

Incentive Compensation

- Evaluate current plans for competitive positioning and its success in meeting plan objectives
- Design new incentive plans focused on specific roles, desired behaviors, and business performance goals
- Develop employee communication plans to promote clear understanding and employee commitment

Executive and Director Compensation

- Evaluate total cash and total direct compensation and the pay ratios between key positions
- Design long-term rewards, equity- and non-equity-based, to attract, motivate, and retain high-performing leaders
- Inform decision-makers on the tax and accounting implications of different LTI programs

Reasonable Compensation

- Conduct analysis to evaluate key executive total compensation against Internal Revenue Code measures

Consulting Qualifications

Our specialists are credentialed as certified compensation professionals (CCPs), certified equity professionals (CEPs), professionals in human resources (PHRs), organizational change management professionals, senior professionals in human resources (SPHRs), and more. As thought leaders in the profession, we speak and write regularly on current issues in compensation management and the impact on talent acquisition, talent retention, and talent management excellence.

What You Need to Know

What's the issue?

- As unemployment decreases, undesired employee turnover increases
- Fully qualified, high-performing individuals are going where the rewards are greatest. Competitors are seeking to “up-skill” their workforces, actively replacing average performers with stronger talent.

What's the impact?

The costs involved with recruiting and training make it important to design and administer pay programs that reward the right people and recognize the right performance.

What are we doing to help?

- Crowe assists companies with the assessment of internal and external equity through compensation program updates based on market pricing and plans designed to reinforce the company's desired culture
- Our approach includes an assessment of the current state, clarifying the desired state, and modifying pay structures for a high human capital ROI

Are you attracting, motivating, and retaining high performers?

Employees represent one of the top three expenses for most organizations. This highlights for management the importance of workforce productivity and the risks associated with acquiring, training, retaining, and replacing talent.

Compensation Affects Organizational Success



Learn More

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