



# **HR Resource: Compensation Data Report Tool**

## **Supplemental Materials**

- **Compensation Data Report Tool**
- **Sample Wage and Salary Survey Data**
- **Sample AAIM Position Benchmarking Result**
- **How To Read Benchmarking Results**



## Compensation Data Resource

The AAIM Compensation Data Resource is designed to support HR professionals and organizational leaders in making informed, equitable, and competitive pay decisions. This resource synthesizes data from trusted national and regional wage and salary surveys, including information the AAIM Member makes from the AAIM Salary Benchmarking to provide accurate, up-to-date compensation insights.

By leveraging this resource, users can:

- Benchmark current pay structures against industry and regional standards.
- Identify gaps or inconsistencies in internal compensation practices.
- Support equitable pay strategies grounded in market reality.
- Enhance transparency and consistency in compensation conversations with leadership and employees.

This resource is intended to guide compensation planning, foster data-informed pay practices, and reinforce an organization's ability to attract, retain, and reward talent effectively.

### **Missouri**

12851 Manchester Road  
Suite 150  
St. Louis, MO 63131

### **Florida**

43 Skyline Drive  
Suite 1001  
Lake Mary, FL 32746

### **Illinois**

300 Hamilton Boulevard  
Suite L110  
Peoria, IL 61602

### **Indiana**

450 E 96<sup>th</sup> Street  
Suite 500  
Indianapolis, IN 46240

# Compensation Data Report

## Company Name



**Position** | First Level Supervisor  
**Prepared By** | Jane Doe

Number of Employees in Role #
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Descriptor	Low	Midpoint / Median	High
Current Pay Range			
Market Rate of Pay			
Advertised Competition Rate of Pay			

Employee Name	Years of Service	Overtime Eligibility?	Incentive Eligibility?	Percentile in Base Range	Regular Wages	Incentive Earned	Pay Gap to Target Pay
Susie							
Jesse							
Bobby							
Joanie							
Average	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

### Comments

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### Recommendations

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# 2024 AAIM Employers' Association Regional Wage and Salary Survey

## 6013E: Production Supervisor - Skilled Operation

First line supervisor of a skilled production labor workforce. The job typically requires specialized training in supervision and 5+ years of job related training and experience, including experience in the work of the department, or equivalent. Under management guidance, schedules work, assists with employee selection, reviews employee performance, administers work rules and recommends compensation, unless it is governed by contract. Responsible for productivity and quality management to the extent that it falls within department control. Recommends equipment upgrades, staffing adjustments, process modifications and may recommend product or service modifications. Do not report working supervisors or leads, where a majority of time is spent performing hands-on work of the department. Report supervisors of machining operations under specific machining job descriptions.

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
Total Responses	21	93	\$73,476	*	*	*	*	*	*

### Geographic Area

FL-Central Florida (OrangeSeminoleOsceolaVol)	2	3	-	-	-	-	-	-	-
FL-West Florida (HillsboroughPinellasPolkLee)	1	1	-	-	-	-	-	-	-
FL-South Florida (MiamiDadeBrowardPalmBea)	1	6	-	-	-	-	-	-	-
FL-Ocala-Gainesville	0		-	-	-	-	-	-	-
FL-All Other Areas of Florida	0		-	-	-	-	-	-	-
IL-Central	1	29	-	-	-	-	-	-	-
IL-North/North Central/Chicago	3	5	-	-	-	-	-	-	-
IL-South/South Central	2	8	-	-	-	-	-	-	-
Total IL-without IL Metro East	6	42	\$65,007	*	*	*	*	*	*
IL-St. Louis Metro East	1	1	-	-	-	-	-	-	-
MO-St. Charles/Warren Counties	2	11	-	-	-	-	-	-	-
MO-St. Louis/St. Louis County	6	19	\$82,014	*	*	*	*	*	*
MO-All Other Counties	2	10	-	-	-	-	-	-	-
Total MO-with IL Metro East	11	41	\$81,816	\$77,321	\$70,106	\$83,221	\$88,390	\$67,205	\$98,280
IN-Indiana	0		-	-	-	-	-	-	-

### Employment Size

1 - 75	2	3	-	-	-	-	-	-	-
76-199	7	15	\$75,730	*	*	*	*	*	*
200 - 500	8	61	\$70,775	*	*	*	*	*	*
501 - 1000	2	10	-	-	-	-	-	-	-
1000 +	2	4	-	-	-	-	-	-	-

### Revenue In Millions

\$0 - \$4.9	2	4	-	-	-	-	-	-	-
\$5.0 - \$9.9	1	2	-	-	-	-	-	-	-
\$10.0 - \$14.9	3	3	-	-	-	-	-	-	-
\$15.0 - \$24.9	3	4	-	-	-	-	-	-	-

## 2024 AAIM Employers' Association Regional Wage and Salary Survey

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
\$25.0 - \$49.9	3	15	-	-	-	-	-	-	-
\$50.0 - \$99.9	1	4	-	-	-	-	-	-	-
\$100.0 - \$199.9	3	43	-	-	-	-	-	-	-
\$200.0+	5	18	\$67,558	*	*	*	*	*	*
Not Available	0		-	-	-	-	-	-	-
<b>Industry</b>									
Mfg: Durable (+3 yrs use)	15	82	\$71,108	*	*	*	*	*	*
Mfg: Non-Durable ( -3 yrs use)	1	3	-	-	-	-	-	-	-
Public Admin/Education	0		-	-	-	-	-	-	-
Finance/Insurance/Real Estate	0		-	-	-	-	-	-	-
Health Services	0		-	-	-	-	-	-	-
Acute Care/Hospitals	0		-	-	-	-	-	-	-
Specialized Health Services	0		-	-	-	-	-	-	-
Other Healthcare Services	1	1	-	-	-	-	-	-	-
Professional/Business Services	0		-	-	-	-	-	-	-
Transportation/Warehousing	0		-	-	-	-	-	-	-
Electric/Gas/Sanitary/Utils	0		-	-	-	-	-	-	-
Other Services	1	3	-	-	-	-	-	-	-
Retail Trade/Wholesale Trade	1	1	-	-	-	-	-	-	-
Other (specify)	2	3	-	-	-	-	-	-	-
<b>Union Status</b>									
Union	0		-	-	-	-	-	-	-
Non-Union	21	93	\$73,476	*	*	*	*	*	*
<b>Profit Status</b>									
Non-Profit	1	1	-	-	-	-	-	-	-
Profit	18	89	\$74,063	*	*	*	*	*	*
<b>Match Degree</b>									
Heavy Match (+)	1	2	-	-	-	-	-	-	-
Match (=)	19	89	\$72,741	*	*	*	*	*	*
Light Match (-)	1	2	-	-	-	-	-	-	-
<b>Job Status</b>									
Exempt	21	93	\$73,476	*	*	*	*	*	*

# 2024 AAIM Employers' Association Regional Wage and Salary Survey

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
Non-Exempt	0		-	-	-	-	-	-	-
Executive	0		-	-	-	-	-	-	-

# 2024 AAIM Employers' Association Regional Wage and Salary Survey

## 6015N: Production Supervisor - Semi-Skilled Operation

First line supervisor of a semi-skilled production labor workforce. The job typically requires specialized training in supervision and 5+ years of job related training and experience, including experience in the work of the department, or equivalent. Under management guidance, schedules work, assists with employee selection, reviews employee performance, administers work rules and recommends compensation, unless it is governed by contract. Responsible for productivity and quality management to the extent that it falls within department control. Recommends equipment upgrades, staffing adjustments, process modifications and may recommend product or service modifications. Do not report working supervisors or leads, where a majority of time is spent performing hands-on work of the department.

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
Total Responses	18	143	\$40.27	\$41.04	\$28.36	\$32.30	\$46.06	\$23.86	\$69.00

### Geographic Area

FL-Central Florida (OrangeSeminoleOsceolaVol)	0		-	-	-	-	-	-	-
FL-West Florida (HillsboroughPinellasPolkLee)	0		-	-	-	-	-	-	-
FL-South Florida (MiamiDadeBrowardPalmBea)	0		-	-	-	-	-	-	-
FL-Ocala-Gainesville	0		-	-	-	-	-	-	-
FL-All Other Areas of Florida	0		-	-	-	-	-	-	-
IL-Central	6	60	\$38.64	*	*	*	*	*	*
IL-North/North Central/Chicago	3	7	-	-	-	-	-	-	-
IL-South/South Central	3	50	-	-	-	-	-	-	-
Total IL-without IL Metro East	12	117	\$46.63	*	*	*	*	*	*
IL-St. Louis Metro East	0		-	-	-	-	-	-	-
MO-St. Charles/Warren Counties	0		-	-	-	-	-	-	-
MO-St. Louis/St. Louis County	2	7	-	-	-	-	-	-	-
MO-All Other Counties	2	12	-	-	-	-	-	-	-
Total MO-with IL Metro East	4	19	-	-	-	-	-	-	-
IN-Indiana	2	7	-	-	-	-	-	-	-

### Employment Size

1 - 75	5	9	\$33.28	*	*	*	*	*	*
76-199	3	11	-	-	-	-	-	-	-
200 - 500	4	21	-	-	-	-	-	-	-
501 - 1000	2	58	-	-	-	-	-	-	-
1000 +	4	44	-	-	-	-	-	-	-

### Revenue In Millions

\$0 - \$4.9	1	2	-	-	-	-	-	-	-
\$5.0 - \$9.9	6	23	\$27.85	*	*	*	*	*	*
\$10.0 - \$14.9	0		-	-	-	-	-	-	-
\$15.0 - \$24.9	2	4	-	-	-	-	-	-	-

## 2024 AAIM Employers' Association Regional Wage and Salary Survey

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
\$25.0 - \$49.9	1	1	-	-	-	-	-	-	-
\$50.0 - \$99.9	0		-	-	-	-	-	-	-
\$100.0 - \$199.9	1	28	-	-	-	-	-	-	-
\$200.0+	7	85	\$54.69	*	*	*	*	*	*
Not Available	0		-	-	-	-	-	-	-
<b>Industry</b>									
Mfg: Durable (+3 yrs use)	13	130	\$42.08	\$41.66	\$27.27	\$32.00	\$67.21	\$22.22	\$69.24
Mfg: Non-Durable ( -3 yrs use)	4	10	-	-	-	-	-	-	-
Public Admin/Education	0		-	-	-	-	-	-	-
Finance/Insurance/Real Estate	0		-	-	-	-	-	-	-
Health Services	0		-	-	-	-	-	-	-
Acute Care/Hospitals	0		-	-	-	-	-	-	-
Specialized Health Services	0		-	-	-	-	-	-	-
Other Healthcare Services	0		-	-	-	-	-	-	-
Professional/Business Services	0		-	-	-	-	-	-	-
Transportation/Warehousing	0		-	-	-	-	-	-	-
Electric/Gas/Sanitary/Utils	0		-	-	-	-	-	-	-
Other Services	0		-	-	-	-	-	-	-
Retail Trade/Wholesale Trade	0		-	-	-	-	-	-	-
Other (specify)	1	3	-	-	-	-	-	-	-
<b>Union Status</b>									
Union	1	20	-	-	-	-	-	-	-
Non-Union	17	123	\$38.68	\$36.79	\$27.88	\$32.21	\$36.91	\$23.53	\$69.05
<b>Profit Status</b>									
Non-Profit	0		-	-	-	-	-	-	-
Profit	16	110	\$41.56	*	*	*	*	*	*
<b>Match Degree</b>									
Heavy Match (+)	1	3	-	-	-	-	-	-	-
Match (=)	10	57	\$48.11	*	*	*	*	*	*
Light Match (-)	7	83	\$30.13	*	*	*	*	*	*
<b>Job Status</b>									
Exempt	0		-	-	-	-	-	-	-

# 2024 AAIM Employers' Association Regional Wage and Salary Survey

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
Non-Exempt	18	143	\$40.27	\$41.04	\$28.36	\$32.30	\$46.06	\$23.86	\$69.00
Executive	0		-	-	-	-	-	-	-

# 2024 AAIM Employers' Association Regional Wage and Salary Survey

## 6017N: Production Supervisor - Unskilled Operation

First line supervisor of an unskilled production labor workforce. The job typically requires specialized training in supervision and 5+ years of job related training and experience, or equivalent. Under management guidance, schedules work, assists with employee selection, reviews employee performance, administers work rules and recommends compensation, unless it is governed by contract. Responsible for productivity and quality management to the extent that it falls within department control. Recommends equipment upgrades, staffing adjustments, process modifications and may recommend product or service modifications. Do not report working supervisors or leads, where a majority of time is spent performing hands-on work of the department.

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
Total Responses	10	70	\$32.79	*	*	*	*	*	*

### Geographic Area

FL-Central Florida (OrangeSeminoleOsceolaVol)	0		-	-	-	-	-	-	-
FL-West Florida (HillsboroughPinellasPolkLee)	0		-	-	-	-	-	-	-
FL-South Florida (MiamiDadeBrowardPalmBea)	0		-	-	-	-	-	-	-
FL-Ocala-Gainesville	0		-	-	-	-	-	-	-
FL-All Other Areas of Florida	0		-	-	-	-	-	-	-
IL-Central	2	44	-	-	-	-	-	-	-
IL-North/North Central/Chicago	0		-	-	-	-	-	-	-
IL-South/South Central	1	3	-	-	-	-	-	-	-
Total IL-without IL Metro East	3	47	-	-	-	-	-	-	-
IL-St. Louis Metro East	1	2	-	-	-	-	-	-	-
MO-St. Charles/Warren Counties	1	2	-	-	-	-	-	-	-
MO-St. Louis/St. Louis County	2	6	-	-	-	-	-	-	-
MO-All Other Counties	2	12	-	-	-	-	-	-	-
Total MO-with IL Metro East	6	22	\$35.34	*	*	*	*	*	*
IN-Indiana	1	1	-	-	-	-	-	-	-

### Employment Size

1 - 75	2	6	-	-	-	-	-	-	-
76-199	6	14	\$36.09	*	*	*	*	*	*
200 - 500	2	50	-	-	-	-	-	-	-
501 - 1000	0		-	-	-	-	-	-	-
1000 +	0		-	-	-	-	-	-	-

### Revenue In Millions

\$0 - \$4.9	2	6	-	-	-	-	-	-	-
\$5.0 - \$9.9	1	43	-	-	-	-	-	-	-
\$10.0 - \$14.9	3	5	-	-	-	-	-	-	-
\$15.0 - \$24.9	1	3	-	-	-	-	-	-	-
\$25.0 - \$49.9	1	1	-	-	-	-	-	-	-

## 2024 AAIM Employers' Association Regional Wage and Salary Survey

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10%	90%
\$50.0 - \$99.9	1	5	-	-	-	-	-	-	-
\$100.0 - \$199.9	1	7	-	-	-	-	-	-	-
\$200.0+	0		-	-	-	-	-	-	-
Not Available	0		-	-	-	-	-	-	-
<b>Industry</b>									
Mfg: Durable (+3 yrs use)	6	18	\$37.03	*	*	*	*	*	*
Mfg: Non-Durable ( -3 yrs use)	2	5	-	-	-	-	-	-	-
Public Admin/Education	0		-	-	-	-	-	-	-
Finance/Insurance/Real Estate	0		-	-	-	-	-	-	-
Health Services	0		-	-	-	-	-	-	-
Acute Care/Hospitals	0		-	-	-	-	-	-	-
Specialized Health Services	0		-	-	-	-	-	-	-
Other Healthcare Services	0		-	-	-	-	-	-	-
Professional/Business Services	0		-	-	-	-	-	-	-
Transportation/Warehousing	0		-	-	-	-	-	-	-
Electric/Gas/Sanitary/Utils	0		-	-	-	-	-	-	-
Other Services	0		-	-	-	-	-	-	-
Retail Trade/Wholesale Trade	0		-	-	-	-	-	-	-
Other (specify)	2	47	-	-	-	-	-	-	-
<b>Union Status</b>									
Union	1	4	-	-	-	-	-	-	-
Non-Union	9	66	\$32.03	*	*	*	*	*	*
<b>Profit Status</b>									
Non-Profit	1	43	-	-	-	-	-	-	-
Profit	7	16	\$34.32	*	*	*	*	*	*
<b>Match Degree</b>									
Heavy Match (+)	2	44	-	-	-	-	-	-	-
Match (=)	7	22	\$32.43	*	*	*	*	*	*
Light Match (-)	1	4	-	-	-	-	-	-	-
<b>Job Status</b>									
Exempt	0		-	-	-	-	-	-	-
Non-Exempt	10	70	\$32.79	*	*	*	*	*	*

# 2024 AAIM Employers' Association Regional Wage and Salary Survey

Executive

No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
				25%	Median	75%	10%	90%
0		-	-	-	-	-	-	-

# **SALARY ASSESSOR**®

Production Supervisor

## **Specifications:**

*(Items in bold affect salary estimates)*

Prepared for:

**Planning Date:**

4/30/2025

**Area:** St. Louis, Missouri

**Annualized Salary Trend:**

3.3% (Adjustment: 0.00%)

**Industry:** Machinery Manufacturing

**Database as of:**

4/1/2025

**Industry Codes:** eSIC: 3500, NAICS: 333000, usSEC: 3510

**Job Code:**

ERI: 4072; eDOT: 183137030

**Organization Size:** 20,000,000

**SOC:**

511011

## **Adjustments:**

**Education Adjustment:**

**Skill Adjustment:**

**Certification Adjustment:**

**Shift Work Adjustment:**

**Date Last Updated: 4/1/2025**

**ERI Job Title:** Production Supervisor

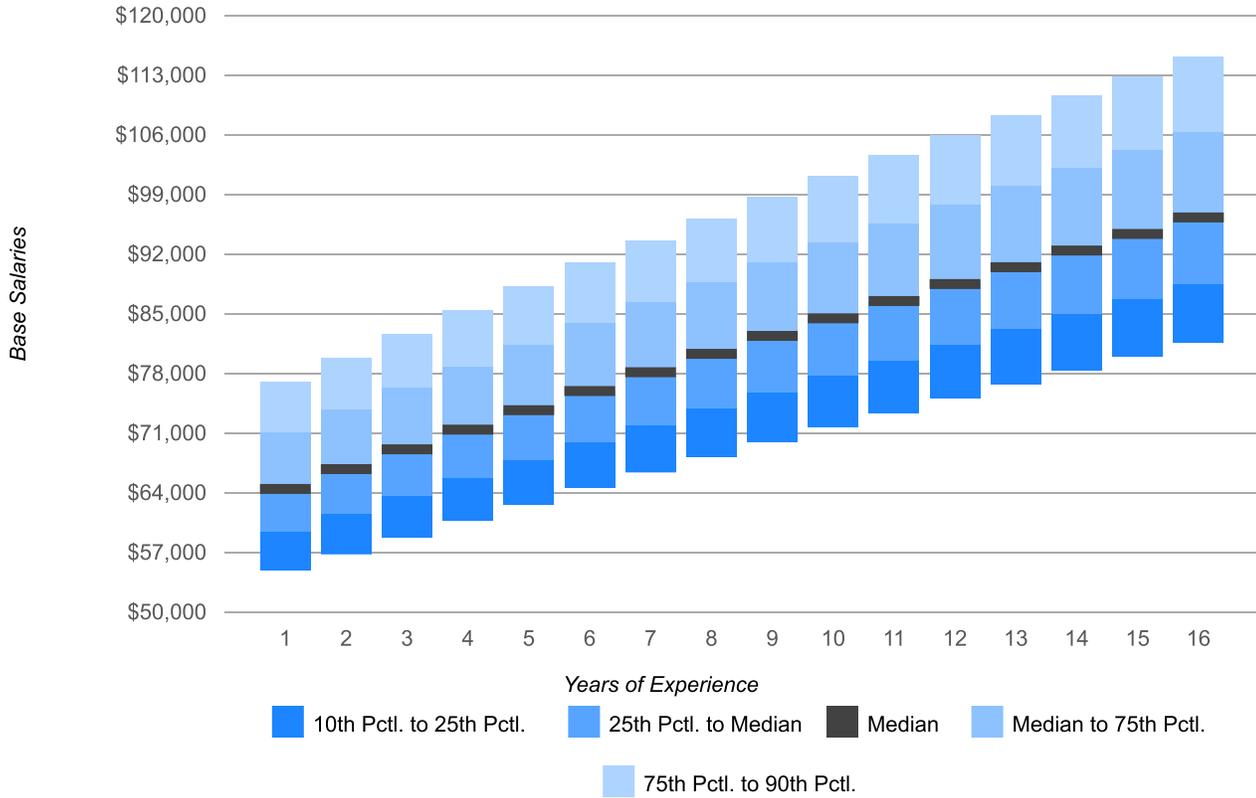
**Estimated Survey Median Annual Base Salaries**

**All Incumbent Median: \$80,327**

Years of Experience	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
16	81,656	88,515	96,330	106,379	115,142
15	80,016	86,730	94,392	104,258	112,883
14	78,374	84,942	92,447	102,126	110,607
13	76,726	83,146	90,490	99,976	108,307
12	75,068	81,337	88,517	97,803	105,977
11	73,395	79,510	86,520	95,602	103,612
10	71,701	77,658	84,495	93,366	101,203
9	69,980	75,777	82,433	91,085	98,743
8	68,223	73,858	80,327	88,752	96,221
7	66,422	71,893	78,169	86,358	93,628
6	64,578	69,885	75,962	83,906	90,968
5	62,696	67,837	73,713	81,403	88,248
4	60,780	65,756	71,431	78,860	85,480
3	58,838	63,648	69,124	76,288	82,677
2	56,875	61,522	66,802	73,702	79,852
1	54,902	59,387	64,474	71,113	77,023

All Values in United States Dollars

## Annual Base Salaries Graph



**ERI Job Title:** Production Supervisor

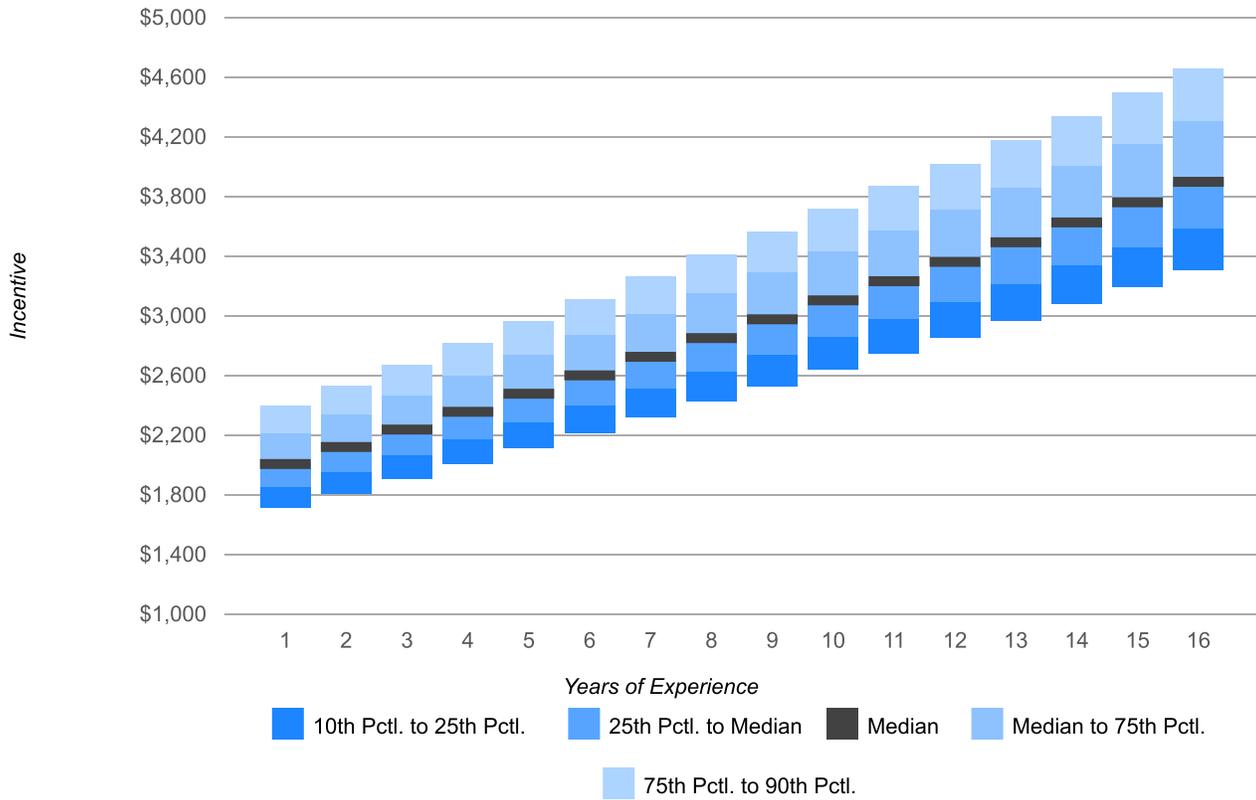
### Estimated Survey Median Annual Incentives

All Incumbent Median: \$2,852

Years of Experience	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
16	3,311	3,586	3,900	4,305	4,657
15	3,194	3,460	3,763	4,154	4,495
14	3,080	3,336	3,627	4,005	4,336
13	2,967	3,213	3,494	3,859	4,178
12	2,856	3,093	3,363	3,714	4,022
11	2,747	2,974	3,233	3,571	3,868
10	2,639	2,856	3,105	3,429	3,715
9	2,532	2,740	2,978	3,289	3,563
8	2,426	2,625	2,852	3,149	3,412
7	2,321	2,510	2,726	3,010	3,262
6	2,216	2,396	2,602	2,872	3,112
5	2,112	2,284	2,479	2,736	2,964
4	2,010	2,173	2,358	2,601	2,818
3	1,909	2,063	2,239	2,469	2,674
2	1,810	1,956	2,122	2,339	2,533
1	1,713	1,852	2,008	2,213	2,395

All Values in United States Dollars

## Annual Incentives Graph



**ERI Job Title:** Production Supervisor

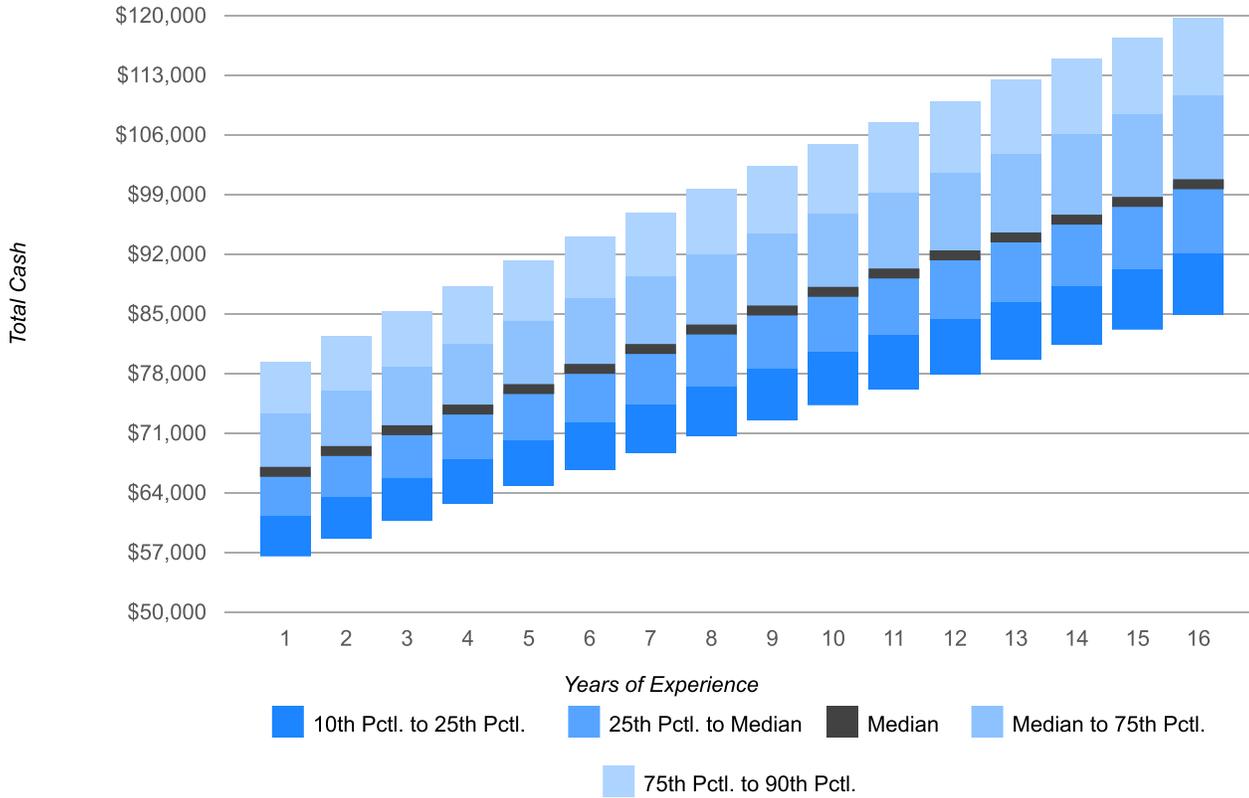
### Estimated Survey Median Annual Total Cash

All Incumbent Median: \$83,179

Years of Experience	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
16	84,967	92,101	100,230	110,684	119,799
15	83,210	90,191	98,155	108,412	117,379
14	81,454	88,278	96,075	106,131	114,943
13	79,693	86,359	93,985	103,834	112,485
12	77,925	84,430	91,880	101,517	109,999
11	76,142	82,483	89,753	99,173	107,480
10	74,341	80,515	87,600	96,795	104,918
9	72,512	78,517	85,411	94,374	102,306
8	70,649	76,482	83,179	91,901	99,633
7	68,743	74,403	80,895	89,368	96,890
6	66,794	72,281	78,564	86,778	94,080
5	64,808	70,121	76,192	84,139	91,212
4	62,790	67,928	73,788	81,461	88,298
3	60,747	65,712	71,362	78,757	85,351
2	58,686	63,479	68,923	76,041	82,385
1	56,615	61,239	66,481	73,326	79,418

All Values in United States Dollars

## Annual Total Cash Graph



## Production Supervisor

**ERI Job Title:** Production Supervisor

## Job Description

### Overview

- Supervises and coordinates activities of workers engaged in processing and/or the development of a product or a service.
- Trains new workers in operation of equipment.
- Maintains inventory records and requisitions ingredients/supplies as necessary to meet delivery schedules.
- Evaluates materials and products to maintain organization standards.
- The Production Supervisor position is distinguished from the Production Foreman position, as the Production Supervisor is responsible for products and services of more complexity and that require more specialized knowledge among the workers as compared to the Production Foreman.

### Typical Functions

- Confers with other supervisors to coordinate activities between departments.
- Responsible for the work effort and the appraisal of personnel.

**Date Last Updated:** 4/1/2025



## UNDERSTANDING COMPENSATION REPORTS & GENERAL COMPENSATION STRATEGY

The compensation datasource used by AAAIM was founded over 30 years ago to provide compensation applications for private and public organizations. The information contained in the database comes from surveys conducted internally as well as third-party surveys and public records.

### PERCENTILES, MEAN/AVERAGE, MEDIAN

**Percentiles** - A point on a rank-ordered scale, found by dividing a group of observations into parts in order of magnitude from lowest to highest. The first percentile approximates the very lowest/bottom number found, while the 100th percentile is the very highest reported. The nth percentile is the point exceeding n percent of the observations. For example, in test taking, a score equal to or greater than 55 percent of those earned on an exam is said to be at the 55th percentile.

- 1. 25<sup>th</sup> & 75<sup>th</sup> Percentiles:** 25% of the rates are below the number designated by the 25th percentile (**mid 50% range**). 75% of the rates are below the number designated by the 75th percentile.
- 2. 10<sup>th</sup> & 90<sup>th</sup> Percentiles:** 10% of the rates are below the number designated by the 10th percentile. 90% of the rates are below the number designated by the 90th percentile.
- 3. Mean/ Average:** A mean is the result of dividing the sum of two or more quantities by the number of quantities. It is noted that individual salary surveys may or may not represent a true weighted average or mean. However, because our data source's overall results are drawn from multiple salary surveys, they should represent more accurately a true weighted average or mean. The mean is defined as the weighted average salary resulting from the analysis of all survey data available for the job, industry, company size, and geographic area. Since salary surveys have different effective dates, the first day of the data update is selected and released twice each quarter, as a common benchmark and updates all salary survey data to that date, so that "apples are compared to apples."
- 4. Median:** The middle value of a distribution of rates. When the values or rates are arrayed in order from lowest to highest, the median divides this distribution so that an equal number of items are on either side of it. It is not as affected by extremely high or low values, as is the mean.

## **SALARIES BY EXPERIENCE/SIZE TABLES**

The Salaries by Experience/Size table provides detailed pay range data for a single job, matched by Survey Description. Pay data is provided to include mean, median, and percentiles for a single job report. Pay may be further refined geographic area, industry, and organization size.

**Base Salaries** - The Base Salaries table illustrates how a salary continuously changes by organization size and years of experience.

**Total Cash** - The Total Cash table illustrates how total cash compensation (base salary + incentive) continuously changes as the organization size and years of experience change. Please note: Incentive data represent an average of all employees in the job, including organization data where no incentive or cash bonus was paid.

**Incentive** - The Incentive table illustrates average incentives paid according to organization size and years of experience. This average includes all survey data where no incentive or cash bonus is reported paid. It therefore represents an average of all employees in the job, rather than the norms for organizations that pay incentives.

**Salaries by Level Table** - The Salary Assessor's Salaries by Level tab is based on matching Survey Descriptions with job/survey descriptions of available salary survey sources for relevant levels. These definitions are printed at the bottom of the Salaries by Level report in the Salary Assessor Descriptions section.

## **LEVELS OF WORK**

**Level 1 (Beginning Level)**- Employees in this first level satisfy the basic job requirements. As the employee gains knowledge and experience, the work reviews, checks, and supervision may be reduced. Complexity or variety of work is typical, and there are no additional technical, mathematical or scientific requirements beyond the basic requirements at this first level. Some organizations refer to level 1 as the entry level of the job. Typically requires experience and advanced specialized training; sells on own under general supervision.

**Level 2 (Intermediate Level)** - Employees in this second level require greater knowledge, training, and/or experience than level 1. The amount of work review, checks, and supervision are less for an employee at level 2 than at level 1. Complexity or variety of work is moderately higher than 1 and may involve greater technical, mathematical, or scientific skills than level 1. Some organizations refer to level 2 as the intermediate level. Typically requires experience and advanced specialized training; sells on own under general supervision.

**Level 3 (Senior Level)** - Employees in this third level require greater knowledge, training, and/or experience than level 2. The amount of work review, checks, and supervision are less for an employee at level 3 than at level 2. Complexity or variety of work is higher than level 2 and may involve greater technical, mathematical, or scientific skills than level 2. The scope of assignments may vary when compared to level 2. Some organizations refer to level 3 as the senior level. Typically requires experience and advanced specialized training; sells on own under general supervision.

## **AGING SURVEY DATA**

Agging survey data is the practice of increasing market survey data by a percentage assumed to be representative of wage movement to bring the data to a consistent point in time.

- 1. How do you choose that future date?** - If you are analyzing all your jobs at one point in time, such as during an annual market analysis, you might choose the date your compensation program becomes effective, or the start of your fiscal year or the date you perform the salary survey analysis (if you are lucky, these are all the same date). If you are analyzing just a single job at some point during the year, you might choose the date of your analysis or the first of the month. Whatever date you choose, you want to be consistent and use the same future date for all the survey data you use in your analysis. You will need to consider the effective date of the employee salaries compared to the aged survey data. For this example, I will use October 1, the beginning of my fiscal year.

2. **Determine the aging factor by referring to reliable sources.** Use a reliable survey resource such as AAIM's Salary Budget Survey to determine the typical pay adjustments provided to employees. You may want to consider looking at multiple sources to give you a composite of several surveys to determine your aging factor.
3. **Collect the effective dates of the surveys.** From whichever survey(s) you are using to collect market data for a position, look for the effective date of the survey(s) used. Typically, this will be on the cover page or on the first page or two describing the survey.
4. **Calculate the aging factor and apply it to the data.** In this example, we'll use months.
  - The forecasted annual market movement is 3.0%. I divide 3.0% by 12 to get one month's market movement ( $.03/12 = .0025$ ).
  - Determine the number of months to age the data. December 1, 2024, to October 1, 2024, is 10 months.
  - Multiply the monthly market movement by the number of months to get the aging factor, which equates to 2.5% ( $.0025 \times 10 \text{ months} = .025$ ).
  - Multiply the survey market data by 1 plus the aging factor to age it to October 1, 2024. Example - \$99,000 aged becomes \$101,475 ( $99,000 \times 1.025$ ).

## **WHY FORMAL PAY STRUCTURES**

- **Fairness** - Creating a pay structure ensures that you are treating all employees fairly. They understand where their role fits into the organization and that a fair process exists to determine both job level/grade and pay.
- **Transparency** - Sharing your pay structure, and the process of developing it, with employees and potential employees inspires confidence. It creates an open and trusted conversation about pay. Additionally, some states have adopted pay transparency rules that require employers to create such a policy or practice.
- **Motivation** - Understanding the avenues open to progress career and pay is hugely motivating for employees. It allows for an adult-to-adult conversation about what is required to progress pay or grade within the business and prevents less productive discussions between employees and line managers with no real focus.
- **Engagement** - Some of the key components to creating employee engagement are feeling fairly treated, understanding how to progress your career, knowing where you sit in the organization and how your contribution adds to the overall effort. A clearly communicated pay structure supports all those things.
- **Supporting Management** - Pay discussions with their team or potential new hires are probably some of the most challenging conversations managers have. A robust pay framework, which has market value and internal equity built in, instills confidence, and supports better decision making around pay.
- **Pay Budgets** - A pay structure creates a basis for pay decisions and allocation. Understanding where your employees fit against the pay structure – within, above or below the band – informs your pay decisions and allows for effective allocation of pay budgets.

## **BENEFITS OF A COMPENSATION SYSTEM**

- **Clarity & Trust** – Helps employees understand where they stand and how their compensation relates to their job performance. Helps new hires see their potential for additional earnings. Minimizes favoritism.
- **Performance** – Serves as a tool to reinforce organizational and job-specific objectives. Facilitates movement of employees into the organization and between jobs. Provides foundation for financial planning for people costs.
- **Governance** – Reduces risk of business distraction in the event of a charge or audit. Provides confidence to outside parties that basic tools are in place to reward and retain and that compliance risks are minimized.

## **RISK OF NO COMPENSATION SYSTEM**

- **Discrimination** – Perceived or real, there were 81,055 charges filed with the EEOC in FY 2023 which resulted in monetary awards of \$440M. This doesn't include legal fees or lost productivity.
- **Turnover** – Conservative estimates place the cost of turnover at 50% of an employee's annual salary. Effective systems help make compensation a non-issue.
- **HR Impact** – Effectiveness in compensation feeds other HR efforts such as recruiting, promotion, recognition, performance management, union-free efforts, employee relations, and workforce planning to drive business results.

## **WERE TO START**

- Develop a compensation philosophy by position type, geographic reach, industry, etc.
- Gather demographic data including:
  - Number of employees
  - Annual Revenue
  - Asset or Budget size
  - Cities and states of office locations / worksites
- Job descriptions for positions under review.
- Organization chart to see how jobs relate to each other within the corporate structure.
- Copies of current compensation system / programs including
  - Grades and Ranges Structure (if used)
  - Documents pertaining to Base Pay or Incentive Programs / Policies (if used)