



the  
**joshbersin**  
company

# Demystifying Pay Equity

Real-Life Solutions that Work

Josh Bersin

CEO

The Josh Bersin Company

Kathi Enderes, Ph.D.

SVP of Research

The Josh Bersin Company

# BUSINESS TRANSFORMATION EVERYWHERE

## The Business and Economy

- Safe and healthy products
- Safe and online retail
- Low touch customer service
- Remote consulting and service
- Digital entertainment
- Digital healthcare
- Healthy living and working
- Cloud computing
- Cyber security
- Bitcoin, mobile commerce
- Talent shortage

## The People and Work

- Work remote and at home
- Working in agile teams
- Leading in uncertainty and change
- Digital and data skills
- New workforce demographics
- Gender, race, and income justice
- Fairness, equity, diversity
- Belonging and inclusion
- Skills and career growth
- Contingent and part-time workers
- New remote or hub workspace

# 2022: WHERE WE ARE



# THE NEW WAR FOR TALENT

## Top Occupations <sup>?</sup>

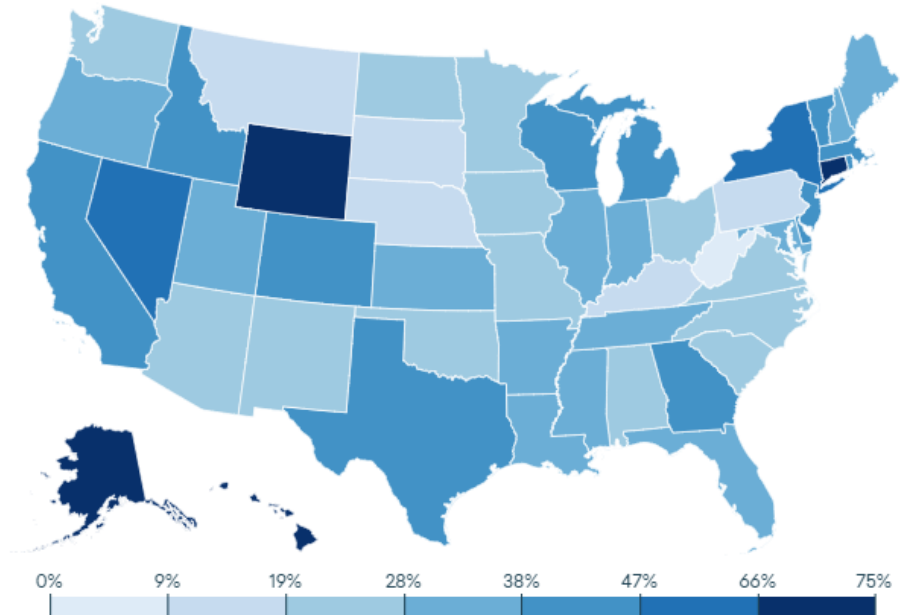
Name	Postings	Month over month change	Change from last year
Registered Nurses	871,629	-0.7%	34%
Heavy and Tractor-Trailer Truck Drivers	793,738	-0.2%	-39%
Software Developers and Software Quality Assurance Analysts and Testers	531,198	-4%	52%
Retail Salespersons	408,497	1%	12%
First-Line Supervisors of Retail Sales Workers	401,451	-5%	14%
Customer Service Representatives	379,228	4%	49%
Computer Occupations, All Other	294,585	-2%	60%
Stockers and Order Fillers	270,972	1%	22%
Marketing Managers	235,012	-4%	63%
Light Truck Drivers	216,351	2%	8%

15,826,364 postings <sup>?</sup>

0% month over month

33% from last year

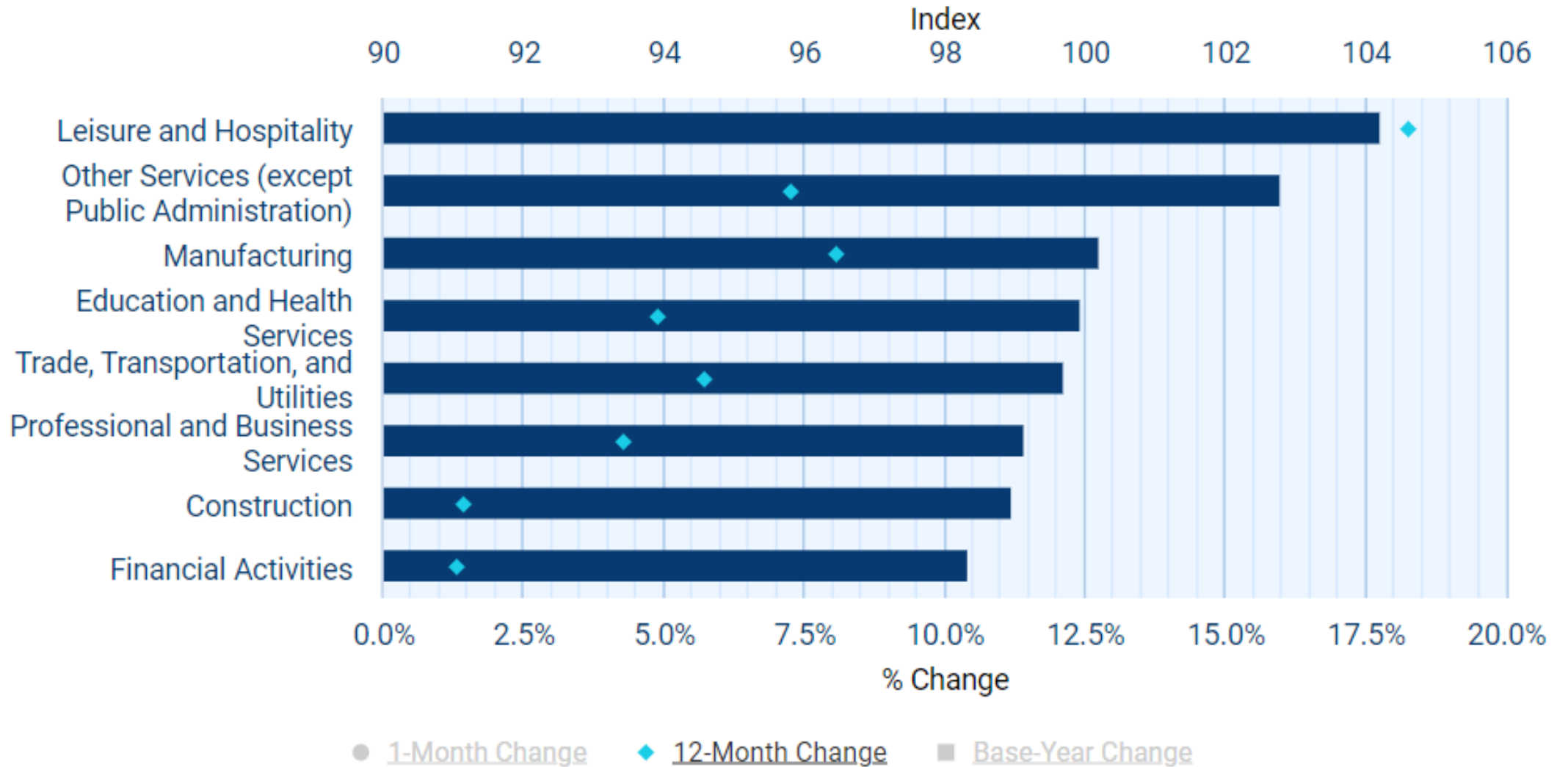
Map: % Change from last year <sup>?</sup>



<https://www.economicmodeling.com/job-posting-dashboard/> December 8, 2021



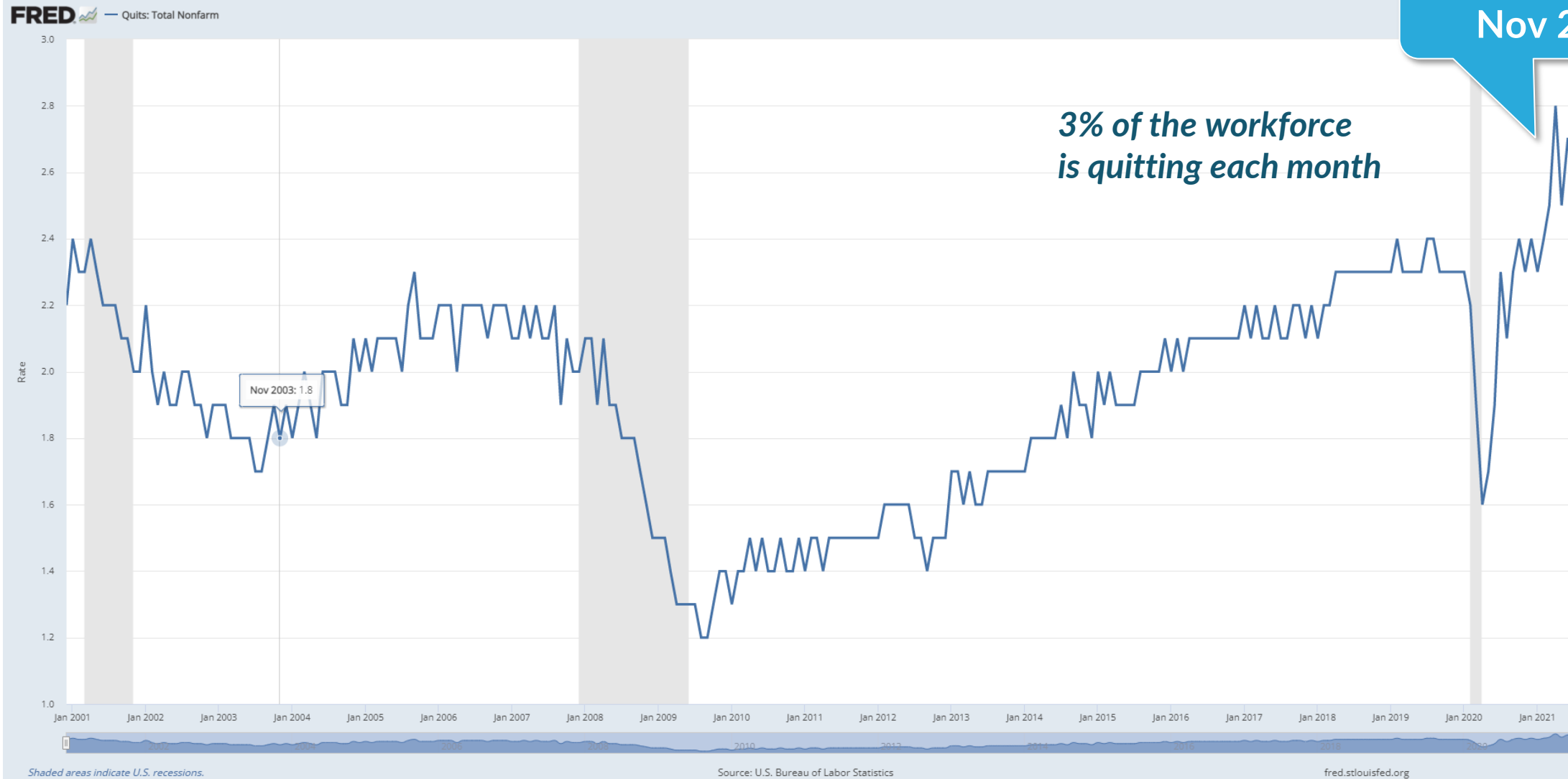
# INDUSTRY JOBS INDEX



Source: IHS | Paychex Employment Watch

# THE GREAT RESIGNATION Employees Take Charge of Their Careers

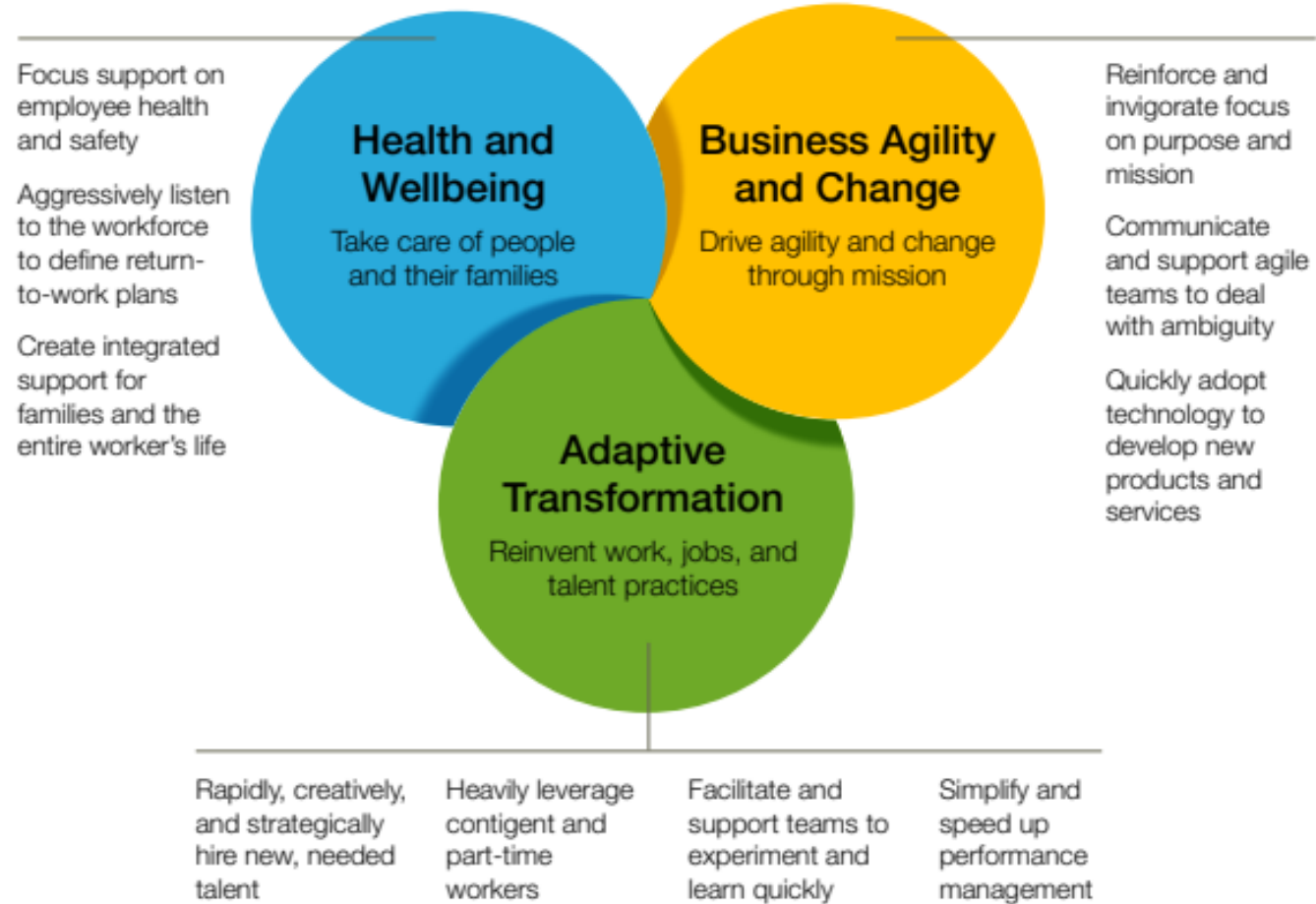
4.4 Million in  
Nov 2021



# BUSINESS RESILIENCE – THRIVING THROUGH THE PANDEMIC

## Health, Agility, Transformation

### The Pandemic Response Practices That Mattered

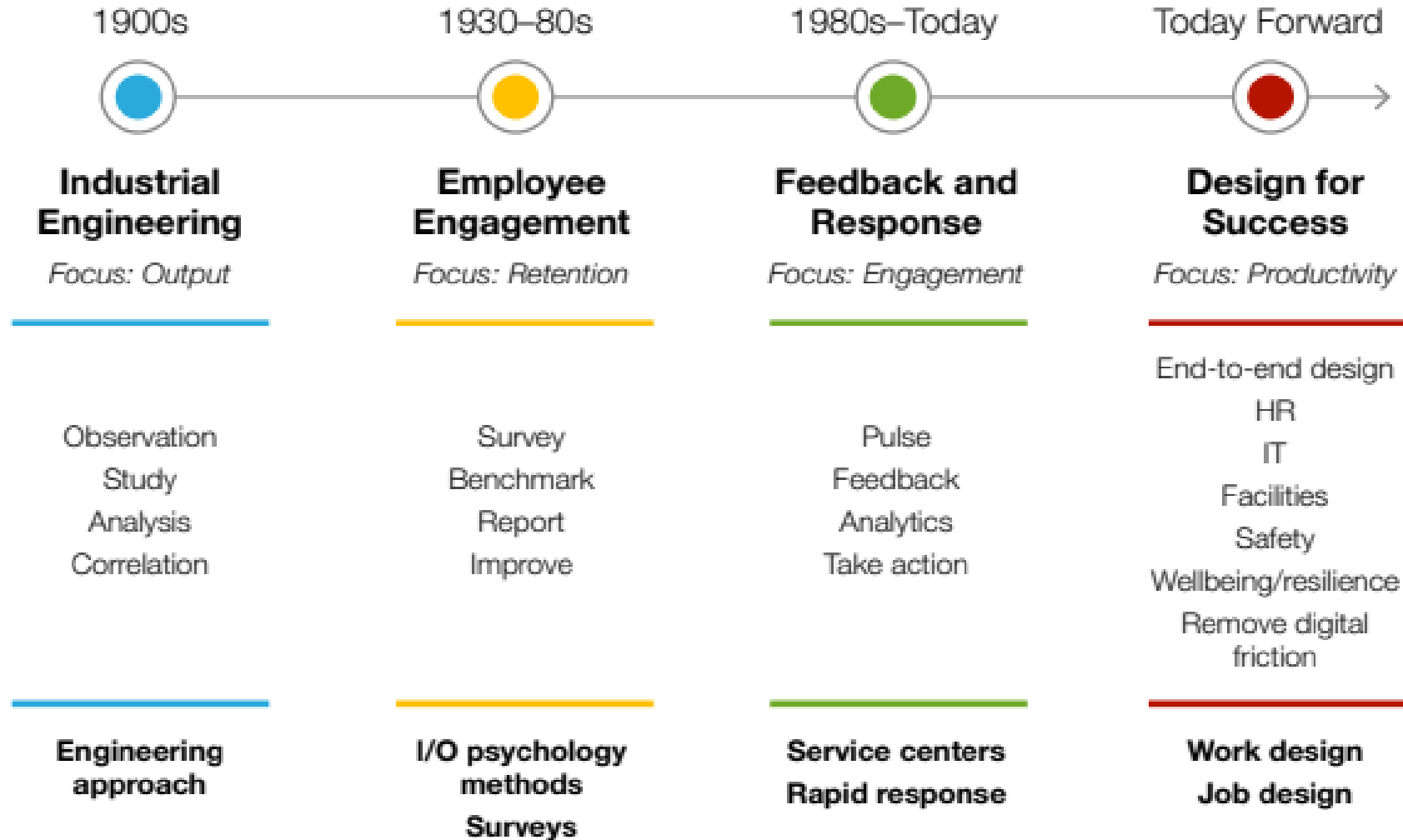




The Irresistible Organization  
Employee Experience that Works



# THE EVOLUTION OF EMPLOYEE EXPERIENCE DESIGN



Employee Experience is a corporate strategy to help every person do their best and be their best

## A WIDE RANGE OF EX ISSUES

EX Spans All Business Functions and Touches All Issues

Mission		Inclusion Belonging		Rewards Pay		Family Personal	
Inclusion		Fairness Trust		Bonuses Benefits		Long-term aspirations	
Culture		Energy		Wellbeing Support		Purpose	
Leadership	Opportunities Growth			Succession Performance		Leadership Drive	
Team	Mobility Coaching			Promotion Review		Forgiveness Resilience	
Career	Promotion			Review		Patience	
Workplace				Goals Review		Workplace safety	
Rewards	Commute Work location Space			Projects Meetings Daily interactions		Work location Commute Policies	
Safety	Facilities						
	IT	Facilities	HR	Legal	Team	Manager	Executive

**Company Culture**

**Business Functions**

# EMPLOYEE EXPERIENCE

## Consistently Inconsistent



Despite all the investment and leadership commitment to EX, inconsistency is a common theme across all industries, geographies, and organizational sizes.

# FOCUS ON TRUST, TRANSPARENCY, INCLUSION, AND CARE

## Meaningful Work



## Strong Management



## Positive Workplace



## Health & Wellbeing



## Growth Opportunity



## Trust in the Organization



Job and values fit	Clear goals with stretch opportunity	Tools, processes and systems to get work done productively	Safety and security in all aspects of work	Open, facilitated job and role mobility	Mission and purpose beyond financial goals
Autonomy and agency	Regular coaching and feedback	Appreciation, recognition, and rewards	Personal fitness, health, and physical wellbeing support	Career growth in multiple paths	Transparency, empathy, and integrity of leadership
Agile teams, supportive coworkers	A focus on management development	Flexible hours and workspace	Psychological and emotional wellbeing and support	Many forms of learning as needed	Continuous investment in people
Time to focus, innovate, and recover	Transparent, simple performance management	Inclusive, diverse, and sense of belonging and community	Family and financial support	A culture that supports learning	Focus on society, environment, and community

## Technologies and Services

Foundation (security & access) | Support systems | Insights apps | Talent apps | Communication apps | Work tech

Strength of impact

Moderate

Medium

High

Very High





# THE FIFTEEN ESSENTIAL PRACTICES OF EX

Practice	Dimension	Element	Relative Impact
1 Foster a culture of integrity and helping others	Transparency, empathy, integrity	 Trust in the Organization	VERY HIGH
2 Embed mission and purpose part of every activity	Mission and purpose beyond financials	 Trust in the Organization	
3 Inspire trust in leaders to be ethical and operate with integrity	Transparency, empathy, integrity	 Trust in the Organization	
4 Clearly communicate the mission and vision	Mission and purpose beyond financials	 Trust in the Organization	
5 Enable open, transparent and honest leadership communication	Transparency, empathy, integrity	 Trust in the Organization	
6 Use fair and equitable rewards and recognition programs	Appreciation, recognition, rewards	 Positive Workplace	
7 Prioritize investment in people even when business is not good	Continuous investment in people	 Trust in the Organization	
8 Stand up for what's right, even if it's not popular	Focus on society & environment	 Trust in the Organization	
9 Encourage people to continuously develop regardless of role	Career growth in multiple paths	 Growth Opportunities	
10 Support communities at work and a sense of belonging	Inclusion, diversity, belonging	 Positive Workplace	
11 Managers help people tie their contribution to the mission	Mission and purpose beyond financials	 Trust in the Organization	
12 Operate under a people-first approach	Continuous investment in people	 Trust in the Organization	
13 See diversity, equity, & inclusion as a business priority	Continuous investment in people	 Trust in the Organization	
14 Use a clear, values-based management philosophy & model	A focus on management development	 Strong Management	
15 Encourage employees to bring their authentic selves to work	Inclusion, diversity, belonging	 Positive Workplace	MODERATE

# PERKS, PAY, AND PHYSICAL SPACE DON'T MATTER MUCH

Support Areas	Enabling Organizational Practices
Health and Wellbeing Tools	<ul style="list-style-type: none"><li>▪ Physical safety at work</li><li>▪ Flexible schedules and job roles</li><li>▪ Support to reduce stress and burnout</li></ul>
Total Rewards	<ul style="list-style-type: none"><li>▪ Above-average pay and personalized benefits</li><li>▪ Generous benefits options for physical, mental and financial wellbeing</li><li>▪ Learning opportunities and time to learn</li></ul>
Meaningful Work	<ul style="list-style-type: none"><li>▪ Pre-hire assessments to help job match</li><li>▪ Staff up with more people to allow for better customer results</li><li>▪ Check workload and address overload</li></ul>
Remote Work	<ul style="list-style-type: none"><li>▪ Tools and resources for remote work</li><li>▪ Remote work toolkit and support</li><li>▪ Flexibility to work remotely</li></ul>

Traditional EX drivers – wellbeing, rewards and a suitable job – are important, but alone don't differentiate outcomes.

# THE EMPLOYEE EXPERIENCE MATURITY MODEL



# POST-PANDEMIC EX: HEALTH FOCUS, OVERWHELMED WORKERS

## What's Working Well?

**78%** We have a strong focus on physical safety at work



### **BENEFITS AND PERKS**

*"We offer individualized packages for remuneration and benefits based on employees' needs."*



### **FLEXIBILITY**

*"We provide flexibility in when and where you work."*



### **COMMUNICATION**

*"We have regular communications to keep everyone involved."*

## What's Missing?

**6%** We purposely staff up with more people to allow for creativity and great customer service



### **INTUITIVE SYSTEMS AND TOOLS**

*"We don't enable performance and productivity through systems, processes, and leadership support."*



### **TIME FOR DEVELOPMENT**

*"We don't allow time for development and growth. You have to do that on top of your daily work."*




### **PEOPLE ANALYTICS**

*"We are missing the measurement of EX—and relating it back to what's working and what's not."*




# THE TOP FINDINGS OF EMPLOYEE EXPERIENCE


1  Focus on **trust, transparency, inclusion,** and care.

2  A **supportive culture** plays a big role in EX.

3  Innovation and sustainable growth depend on **equitable rewards** and **building communities** at work.

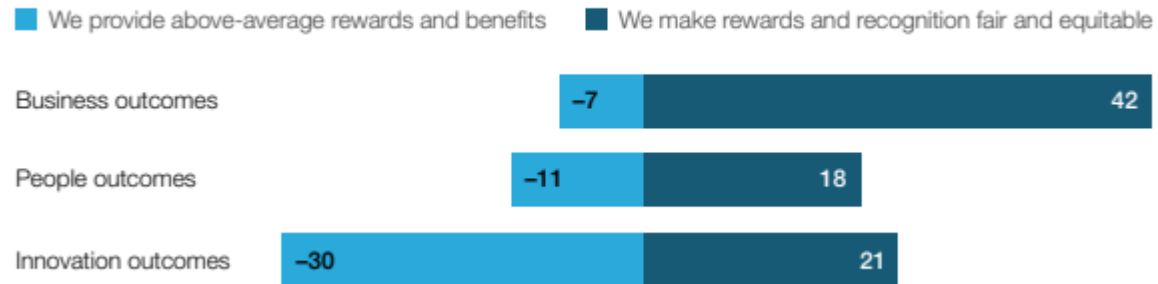
4  Consistent, **mission-first people investments** in any business climate improve business performance.

5  **EX excellence** directly leads to business outcomes.

6  HR **capabilities** and the right **technologies** are vital to a great EX.

# INNOVATION AND SUSTAINABLE GROWTH DEPEND ON EQUITABLE REWARDS AND BUILDING COMMUNITIES AT WORK

## Impact compared to average for outcomes, %



## Companies that make rewards and recognition fair and equitable are...

4x

More likely to have excellent **business outcomes**

5x

More likely to have outstanding **people outcomes**

7x

More likely to **innovate** and adapt to change



# Demystifying Pay Equity







# EQUAL PAY *for* EQUAL WORK



- Job architecture
- Communication
- Pay transparency
- Salary history
- Performance management
- Pay for Performance
- Qualifications
- Retention
- Leadership contributions
- Job structure
- Promotions
- Work location
- Gender
- Equity vs equality
- Legal requirements
- Experience
- Ethnicity
- Hiring
- Qualifications
- Comparator groups

# POTENTIAL PAY DIFFERENTIATORS

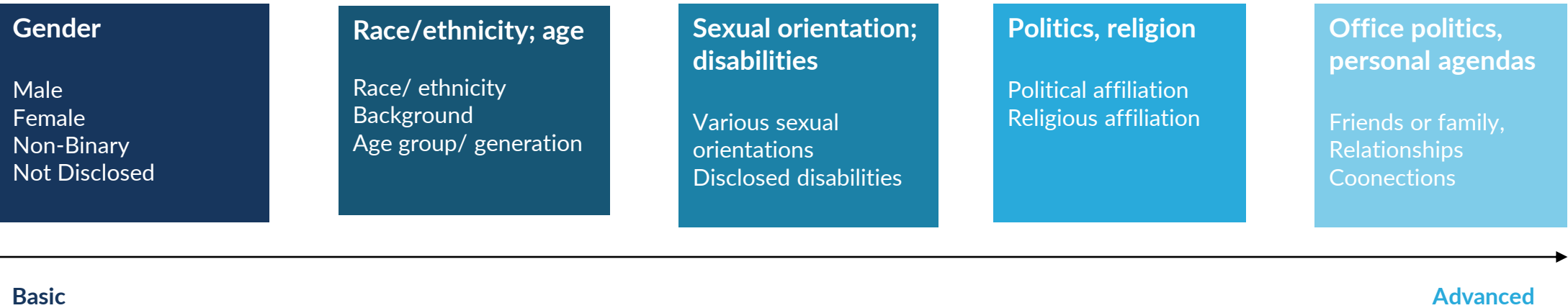
## How Do we Define Equal Work?



## Differentiators

# POTENTIAL DEMOGRAPHICS TO COMPARE

## Is Pay Equal Across Different Groups?



### Differentiators





## Pioneering Gender Pay Equity

- CEO priority, starting in 2015
- “We wanted to show others the way”
- Transparent communication
- Stable investment, despite tripled workforce
- Employee trust increased through consistent focus

Even a “Best Place to Work” can have gender pay disparity.

Mark Benioff, CEO Salesforce