

## Is Your Compensation Data Too Old? ADP Can Stop the 'Aging' Process

**ROSELAND, N.J. – July 12, 2016** – Your IT department wants to hire a new person and has asked you to help it define the range of compensation for the role. Easy, right? Not really. Unfortunately, your compensation data is more than eight months old and now you have to "age" it to estimate a competitive salary to avoid losing out on top talent.

Sound like a familiar scenario? Well, it doesn't have to be.

A newly designed annual compensation tool powered by the <u>ADP<sup>®</sup> DataCloud</u> delivers visual, easy-to-understand displays of in-depth compensation data with progressive views of compensation over a period of *five quarters*. For U.S. clients of ADP, this helps remove the painstaking exercise of aging data each time a request for a compensation estimate falls outside the annual survey cycle.

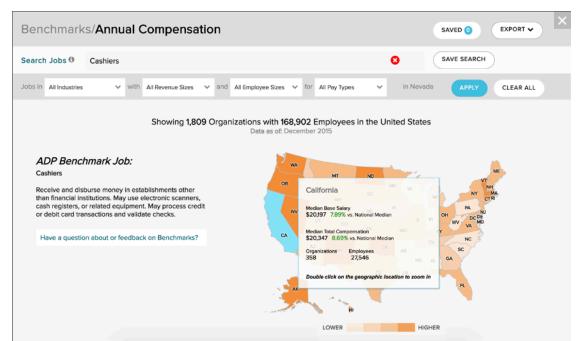
"How many times have you needed to refine your compensation strategy because you're hiring a new person, you're moving to a new location or you're creating a new position?" asked David Turetsky, vice president of product management at ADP. "Traditional compensation data surveys publish their results annually because the cost and effort to publish the data quarterly would be prohibitive for them and their clients. ADP's data is up to date and gives HR and Finance executives an invaluable tool they can use when the need arises.

"Your goal is to attract and retain the best talent available to support your organization. Period!" Turetsky continued. "ADP helps you succeed by simplifying the way data is presented so a larger group of users can absorb, interpret and act on it. This uses actual pay data that is completely anonymous and aggregated. Its authenticity makes it more actionable to help drive business success."

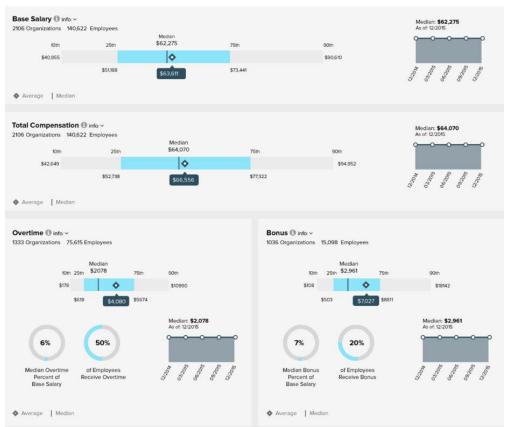
Introduced in May 2015, the <u>ADP DataCloud</u> allows business leaders and human resource (HR) professionals from every part of an organization to generate actionable insights from the workforce data embedded in their ADP human capital management (HCM) solutions. ADP DataCloud helps boost business and workforce management goals, such as workforce productivity, talent development, retention and the identification of flight risks. The <u>benchmarking</u> feature, which gives business leaders the ability to compare his/her own company's data with current industry averages -- including compensation, turnover and other workforce metrics – was added to the DataCloud analytics platform in October 2015.

ADP's annual compensation explorer makes tracking, assessing and analyzing employee compensation data more engaging, usable and understandable. Its enhancements include:

**More engaging, simplified design.** A high-level, visual view of available U.S. data is displayed at the top of the page. Detailed information by state is revealed through "pop-ups" that provide median base salary levels, median total cash compensation, and the number of organizations and employees the data represents. An intuitive search engine for job titles allows HR managers who aren't familiar with the way jobs are typically listed to approximate the job title.

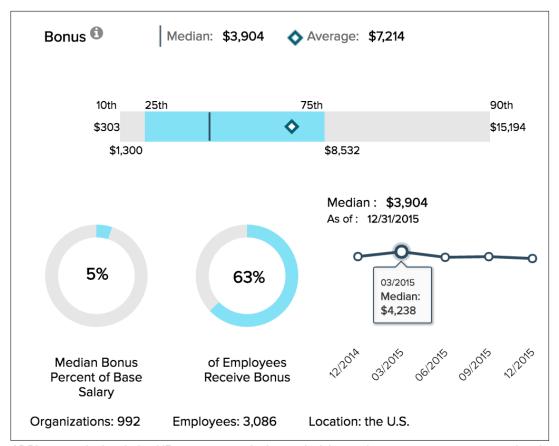


ADP's annual compensation explorer benchmarking tool is color-coded to indicate pay levels across the U.S. A lighter color state shows lower paying locations while a darker color indicates higher paying locations.



A full set of descriptive statistics supporting the visual view is "progressively disclosed" as a user scrolls down the page. This makes it easier to scan for and locate compensation details.

**Expanded, more detailed view of compensation trends:** A line graph provided for each compensation component, such as bonus or overtime pay, helps HR managers track changes to compensation across the previous five quarters.



ADP's quarterly data helps HR managers make better decisions using more current compensation data than ever previously available through surveys.

**Saved searches to speed recall of culled data:** While compensation planning typically is an annual process, there are certain times that require near real-time pivots in a company's approach to paying its employees. Being able to save data that's been compiled using specific search criteria is more than a mere convenience. Speedy recall of culled information can help HR managers more quickly and accurately supply critical data that could potentially impact the level of compensation inspection, strategy and fine tuning in an organization.

ADP's benchmarking capabilities are powered by the ADP DataCloud big data platform that can give businesses a unique competitive advantage. It helps ADP's U.S. clients evaluate their workforce against competitors for talent by delivering market HR and compensation benchmarks for hundreds of jobs. ADP DataCloud helps clients achieve this by using real, anonymous, aggregated up-to-date data across metrics, such as compensation and turnover rate at peer organizations that can be filtered by industry, location, and company size.

The platform draws on anonymized, aggregated HCM information from ADP's U.S. mid- to large-sized client base of approximately 28 million employees. ADP's benchmarking solution helps enable HR, finance and compensation professionals to assess four key areas:

• **Compensation** – Insight into compensation market trends by earnings code, type of employee (salaried vs. hourly) and/or type of compensation (total cash vs. base vs. bonus vs. overtime) sliced by industry, location and organization size.

- **Workforce Demographics** Insight into workforce diversity relative to the market, including age and gender.
- Workforce Change Insight into the rate of workforce change relative to the market, including turnover, tenure and retention rates.
- **System Usage** Insight into adoption of technology and systems by HR managers and employees relative to the market.

## **About ADP**

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