

A Fresh Approach to Market Data

As we begin 2012, many companies are gearing up to participate in yet another round of competitive market surveys. Between the sometimes herculean effort of submitting/analyzing data, and the cost of purchasing multiple surveys, it pays to step back and ensure it's all worth it! Here's a checklist to help guide you through an annual review:

- **Complete a full inventory of the surveys in which you participate:** Include the percentage of your jobs and employees matched in the survey, the cost, the amount of hours spent to participate. Look critically at the list to determine if there are surveys that can be cut. Or perhaps certain surveys can be done once every other year. Sharpen your pencils!
- **Look for Other Sources of Market Intelligence:** Does your inventory reveal some gaps? Your budget may have little room for extra survey cost and your team may walk out if another survey is dumped on their desks. So be creative. How can you strengthen your network of contacts in the industry? Making a few calls to your colleagues in other companies may be enough to give you what you need to fill in those gaps. If you don't have a network, get working on it by attending some conferences and networking events. PEBA events are a great place to start!
- **Train your Managers:** Repeat after me: "There is no TRUE market rate." We compensation professionals know that market analysis is more of an art than a science. But a number on a page can take on quite a bit of power to the untrained eye. We can help managers *interpret* raw data and balance it with a number of other important inputs. And the best way to do that is to invest some training time upfront. Show them the flaws and limitations and also the value of broadening the picture. You'll make life easier for both of you when it comes time to respond to a market pricing request.
- **Stop Already!** On a similar theme, we need to know when to call it a day. We can slice and dice the data hundreds of different ways but does that really get us to a better answer? We might also dig for days, looking for a market match for an unusual position. So the question you must ask yourself is: "Is it worth it?" And if your gut says no, go ahead and respectfully push back on your manager or client. Show courage and steer away from the dreaded "analysis paralysis." Make it a practice, and you may find that you will save time, money....and your sanity.

Best wishes for a smooth and productive survey season!

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