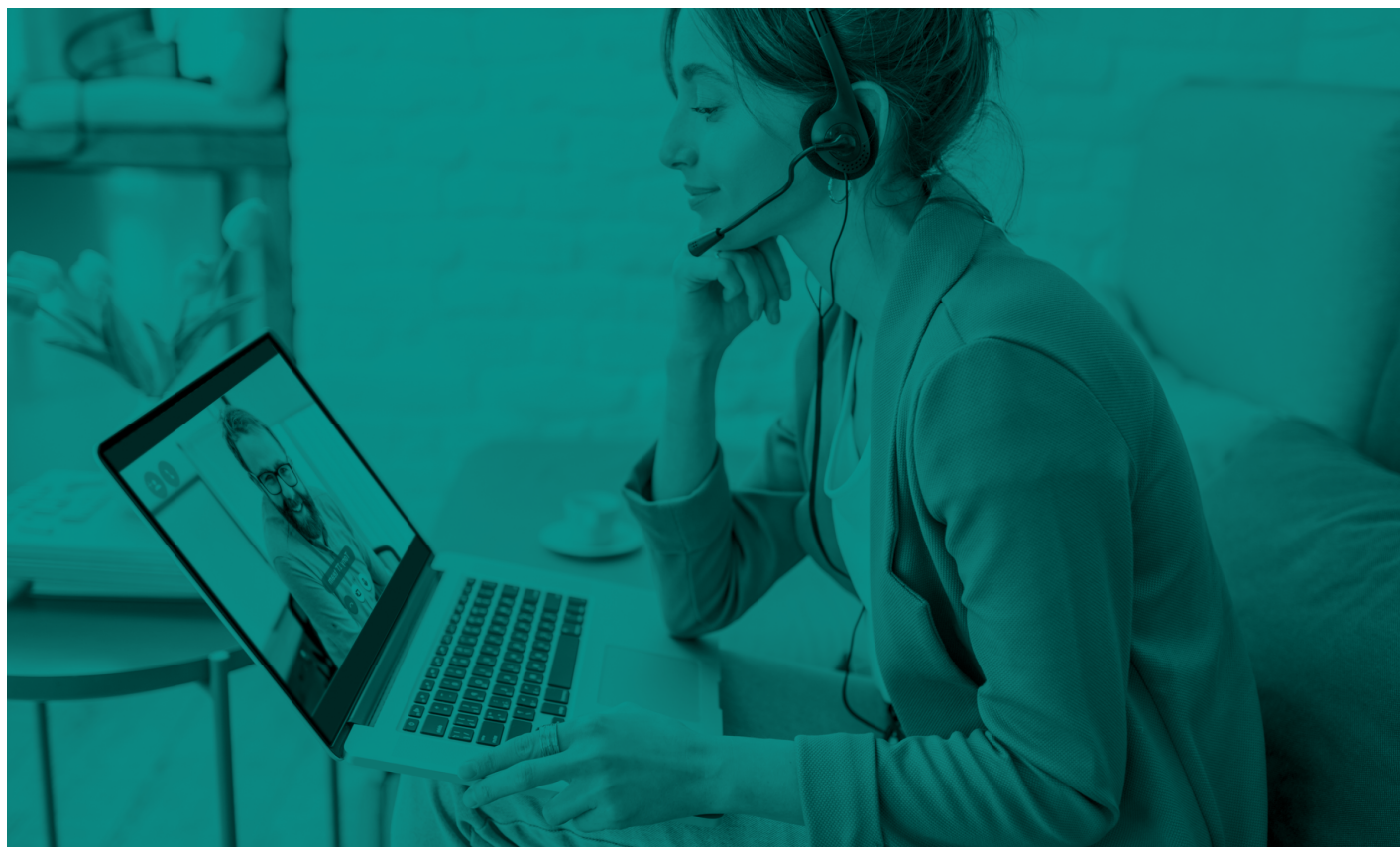# The *Remote* Compensation Review Checklist

Working from home has been the big HR story of 2020.

When the worldwide pandemic began, it pushed many companies into remote work for the first time. In the UK and the US, only about 35% of employees have returned to the office. And tech giants like Facebook, Google, Twitter, and Microsoft have announced that they will move to permanent remote working - a trend that many other companies will likely follow. This means many of us will be managing a remote compensation review process this year.

Using technology to inform and manage your remote compensation reviews will remove the hours and strain of old school processes like spreadsheets, and provide managers real-time access to the necessary information to make decisions around pay. Managers will feel empowered to make fair compensation decisions - especially when tackling the challenges that have emerged from the pandemic such as salary reductions and negative budgets.

We've created a quick remote compensation review checklist to help reward teams feel confident when preparing for remote compensation reviews.

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The *Remote* Compensation Review Checklist:

☐ Realign incentives

Realigning incentive plan structures could include:
☐ Addressing invalid thresholds
☐ Adjusting KPIs set at the beginning of the year that won't be met
☐ Shorter incentive plan measurement periods

When it comes to looking at performance during this phase, some teams are considering other actions demonstrated by employees such as behavior in response to safety adherence, a display of company values while under pressure, or the ability to acquire new skills that have brought real value to business performance at this time. These can all be recognized through compensation, even on a discretionary basis if not part of a formalized plan.

☐ Adapt pay review processes for lower budgets

Due to the economic impact of the pandemic so far, it's crucial to adapt pay review processes to account for lower budgets and the need to do more with less. That being said, the last recession saw many employers slip into a "peanut butter approach" to pay allocation - meaning they spread compensation money evenly across all employees. But, if you want to retain key talent, it's best to avoid this and reassess who is paid what and who should get prioritized when it comes to allocating pay budgets.

☐ Decrease or delay pay and bonuses if need be

Using salary decrease functionality in your compensation management solution makes managing pay reductions and negative salary budgets easier when needed. You can also use guidelines and eligibility rules for salary review with a proportionately smaller population being eligible, in order to decrease spend and ensure that where there are limited budgets, you're allocating to those employees that are contributing the most value.

There's also a number of companies delaying pay reviews and pausing planned bonuses - or just targeting specific market adjustments rather than a general merit raise. Those that are going ahead can make extensive use of alert notifications and budget control. Compensation management technology allows reward principles to be enforced much easier with configurable rules, constraints and alerts which ensure you work within your reduced budget.

☐ Keep employee data secure

A key focus for companies leading remote reviews is data security, so ensuring critical compensation data is kept secure and the right people have the right access to data through management hierarchies works a lot smoother than having spreadsheets scattered across team drives.

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☐ Use real-time analytics

Increasing insights with interactive dashboards, charts and reports, means you're able to see the impact of reward allocation before submitting - preventing unnecessary moderation in the post-review phase. You can also make the most of their real-time data all in one place as key decision-making support.

☐ Deliver compensation letters safely

When your team is ready to share the compensation updates with the rest of your employees, you can send personalized compensation letters as emails or downloadable PDF files to make sure all employees understand how their pay was determined.

☐ Avoid bias and set the right tone

With your employees working from home, your remote review approach calls for more flexibility and compassion. While some juggle work calls with hyper children, others may be managing projects while caring for elderly parents. There are also team members trying to work a full day while feeling isolated and alone.

To help you avoid bias during your compensation decision-making and reviews, keep these situations in mind and use data and colleague feedback to back up your actions. This way, you can celebrate high-performers to boost morale and talent retention, and avoid tracking down underachievers without knowing their daily dealings.

☐ Turn your camera on

Yes, Zoom fatigue is real but for these pay conversations, video is personable. Send out a detailed meeting invitation in advance and make sure that your camera/audio connection is working. Make sure you look presentable, awake and focused on the meeting and your employee.

☐ Communicate clearly and thoughtfully

It's even more important to be overly communicative in a remote compensation review because your computer/laptop acts as a barrier between you and your employee - it's trickier to get a read on how your employee is responding to what you're sharing. Because of this, make sure you're speaking clearly and thoughtfully throughout your remote review, so both parties understand the discussion points. Stay open-minded and friendly - and even if you think you're giving good news, be ready for an emotional reaction as these are loaded conversations.

Remember: Employees aren't just "human capital"

Now more than ever, understanding what your employees value most from their reward package is critical. With the changing world and recent events of this year, there's been a growing movement towards humanizing organizations - through emphasis on empathy, diversity and inclusion, well-being, and open communication. Employees aren't just "human capital" so with this in mind, we can anticipate the need to incorporate more flexibility into how we apply compensation. For many changes introduced during this year's review season, will be a launch pad for future transformation beyond 2020.

Want to learn more about how CURO Compensation Management technology can help you manage pay reviews?

Get a demo

About CURO
CURO is an industry leader in total compensation management technology. CURO empowers companies to maximize talent investment by helping managers make fair compensation decisions based on real-time data. Managers can manage compensation processes with confidence, align employee pay with business success, analyze pay gaps and demonstrate a commitment to fair, equal pay across their workforce.

Founded in 2010, CURO manages compensation reviews for more than 300,000 employees across 150 countries. CURO solutions are designed for practicality and built on the founders' experience managing successful enterprise software firms and overseeing compensation needs and processes of all complexities.

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