



The compensation professional's guide to investing in compensation management software

The secret is out

Employee compensation is one of the biggest, if not the biggest, driver of cost on your balance sheet and income statement. Compensation is also one of the primary drivers of recruitment, retention, and engagement. That's why organizations need to ensure they get maximum return on their investment.

Employers around the world are also grappling with emerging conversations on skill-based pay and benchmarking, compliance regulations, and heightened expectations for pay transparency, disclosure and equity. These changes in the business landscape place compensation professionals under constant pressure to assemble pay data faster than ever, and to find trends and insights within the data. As HR and compensation professionals become more strategic, helping their organization to tackle more modern and complex business challenges, spreadsheets can only get you so far.

You need intuitive technology, data, and analytics to reduce complexity and support decision making when designing and managing complex compensation programs. Software helps you see the big picture, drill into the details, answer a range of strategic questions around competitive compensation and, perhaps most importantly, act.

With decades of experience helping organizations get compensation right, we designed this buyer's guide to help today's savvy compensation professionals evaluate a variety of compensation management software vendors and select the right software to suit the unique needs of their organization.

The business case for investment

The right compensation management system can help you improve your productivity, increase the accountability and quality of your data, and help ensure the security of highly personal and sensitive pay data.

There are a variety of next-generation compensation software solutions that can help compensation professionals work smarter and more efficiently. The right compensation management software essentially helps you create time back in your day.

Time for compensation professionals to:



1 Look more closely at pay data and workforce analytics



2 Keep abreast with wider market, industry and job trends



3 Determine pay differentiations for 'hot' skills



4 Innovate and design game-changing approaches to pay and rewards



5 Conduct a diagnostic to identify compensation gaps and make fair pay decisions



6 Craft an effective pay transparency policy and communication framework

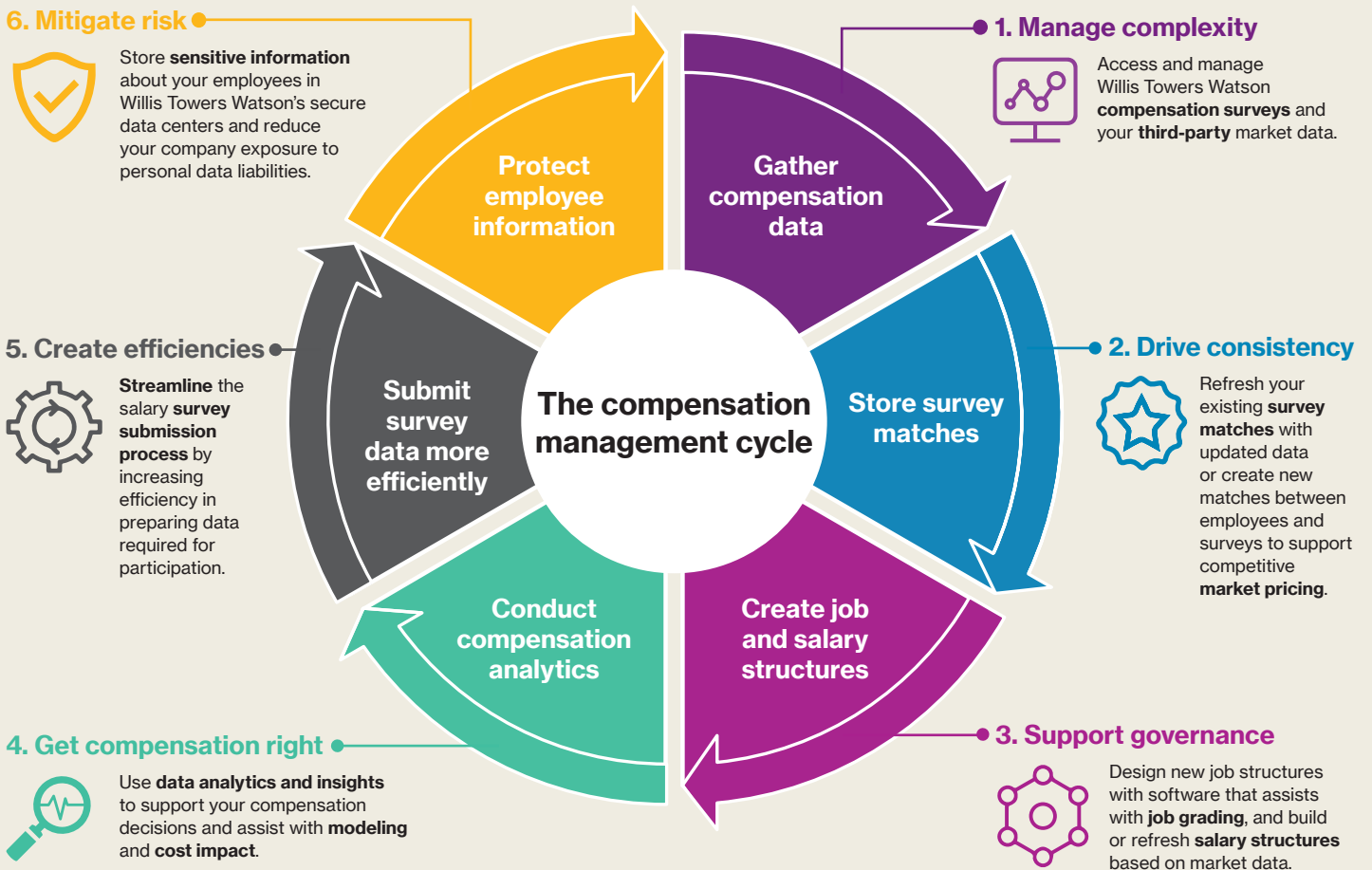


7 Provide better snapshots, stories and valuable insights to the business

Total compensation management starts here

As you research compensation software management systems, we recommend evaluating each software vendor across six key areas in the compensation management cycle:

1. Can the software help you manage complexity?
 - Does it help you manage surveys from all of your providers?
 - Can you easily create market composites for your jobs by combining survey matches from multiple providers?
2. Will the software drive consistency across your pay programs?
 - Does it help you avoid reworking data year over year with automated matching?
 - Does it provide ad hoc intake of job evaluation?
 - Does it provide an audit trail?
3. Does the software support governance?
 - Is all of your market pricing done in one place?
 - Can you easily model and access your structures?
 - Can you see when a job was graded, by who, and their relational?
4. Does the software provide relevant reporting to ensure you get compensation right?
 - Can you conduct a cost impact assessment?
5. Does the software create efficiencies?
 - Does it help you streamline salary survey submission, so you can focus on high value activities?
6. Will the software ensure you mitigate risk?
 - Is your data secure?





It's important you have clear answers to the following questions as you begin your research:

What compensation process issues am I trying to solve with this software?

If looking for a software to help you evaluate jobs to support pay equity issues:

- What job evaluation methodology is right for my business?
- How many organizations use this methodology?
- Is this methodology legally defensible?
- How does the software support the methodology, i.e. historical evaluations, job description management, ease of use?
- How would we be supported to implement the methodology and software?
- Is there an ongoing fee or need for consulting support?
- Do I want to connect job evaluation with market pricing and compensation analytics?

If looking for software to help you market price jobs efficiently:

- Do I need to access market data?
- How is the data sourced? When I present the data to the CEO, can I be confident it truly reflects the market?
- Do I have to participate in surveys to access data? If so, how easy is it for me to participate?
- Are the companies I need to attract talent from included?
- What type of jobs are included in the surveys in which we participate?
- Does the provider have data in countries or cities where we are located?
- When is the data available?

If looking for a software to help you make better compensation decisions:

- What type of reports can I run?
- How will the software bring me new insight?
- What compensation modelling can I do?
- How will the data link my other data sets or in-house HR systems? How do we keep data current?

You'll also want to understand:

What is the after sales service going to be like?

- Do I have a dedicated client success manager or account representative?
- Who owns or builds the software? Is this software a compilation of third-party products (i.e. if this fails, do I call you or the company you have contracted with for this feature?)
- Who else uses the software? What do they think of it?
- How will my data be protected? What data security protocols are in place to ensure compliance with data privacy laws around the world?
- How is the data transferred to software?
- Where is it hosted?

What does it all cost?

- Am I just buying software or bundling with data and advice?
- What do I need to budget for this year? What about ongoing costs?



Willis Towers Watson Compensation Software

Willis Towers Watson's market-leading software brings together comprehensive compensation data, compensation analytics and program design, and job leveling feature sets, so you can create and support a pay-for-performance culture that optimizes your investment in the development of your people.



Data Interactive

Understand where the talent market is heading and how your organization stacks up

Willis Towers Watson compensation data are delivered to you via Data Interactive, a feature set of Willis Towers Watson Compensation Software. With a modern interface, simple navigation and interactive tutorials, Data Interactive helps ensure your pay programs are competitive.

- View, configure and download presentation-ready reports
- Export data in a variety of formats in one click
- Select currencies, define aging parameters, select data elements and percentiles
- Focus on the most relevant talent markets by defining custom peer groups
- Combine survey jobs to create bespoke job matches
- Optimize your benchmarking capabilities and data investment by leveraging our 'best match' algorithm
- Display your job and employee-level data against the market data for easy benchmarking

With scalable options and two levels of access, *Data Interactive* effectively supports organizations of all sizes, in all industries and with any geographic footprint, all backed by deep subject matter expertise and global data products from the Willis Towers Watson advisory network serving more than 120 countries around the world.



Analytics and Design

Solve your most complex pay challenges with the most advanced analytics and design capabilities

With *Analytics and Design*, another feature set of Willis Towers Watson Compensation Software, you can easily automate competitive market analytics to streamline many complex processes, generate insights and design and manage innovative pay programs that optimize your compensation spend.

- Market price jobs using data from multiple vendors
- Auto-refresh matches as updated survey data become available
- Speed up salary survey participation activities
- Develop and manage market-based salary structures or job-specific market reference ranges
- Conduct cost impact analyses that inform design and help manage position against market
- Model key compensation actions through bring-to-target and Merit Matrix analytics
- Generate standard reports, configure your own or dive into our interactive analytics to explore your data

Unlike Excel, easily visualize compensation data from multiple dimensions to identify opportunities in the organization and in the labor market and develop management-ready reports that enable leaders to quickly obtain the insights they need to make smart compensation decisions.



Job Leveling

Establish a foundation for effective talent and reward management by determining the relative value of jobs within your organization

Willis Towers Watson Compensation Software's job leveling feature set helps you drive consistency, fairness and efficiency with our data-driven, globally applicable and proprietary Global Grading System. With support from Willis Towers Watson experts and our job leveling tools, you can:

- Level jobs and work to ensure consistency across your organization and alignment to the external market
- Enable a common language to describe careers, job and work requirements and performance expectations
- Set the foundation for a consistent titling and job code construct and enable linkages to skills frameworks and organizational and job family competencies
- Develop a framework that supports integration following a merger, acquisition or other structural change
- Provide a robust foundation to achieve your internal pay equity and fair pay objectives and ensure proper governance of reward program delivery

Our proprietary *Global Grading System* leveling approach is not only more flexible than traditional methods, but also easier to understand, implement and manage.

From job evaluation to survey submission, and everything in between, Willis Towers Watson Compensation Software brings a powerful combination of market leading data, enterprise strength technology and industry expertise to your pay programs giving you everything you need to get compensation right for your organization.

We're here for you

Willis Towers Watson's unique combination of consulting expertise, data, analytics and software distinctively positions us to help propel your organization forward with the design and implementation of tailored, cutting-edge compensation solutions.

To discuss your compensation strategy and design or technology needs, please visit [willistowerswatson.com/compensationsoftware](https://www.willistowerswatson.com/compensationsoftware) and request a complimentary consultation.



Willis Towers Watson Data Services

Willis Towers Watson Data Services is a leading provider of compensation, benefit and employment practice information to the global employer community. Our databases are recognized worldwide as a premier source of current data for compensation planning.

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About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](https://www.willistowerswatson.com).



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