

The background of the slide is a photograph of an office desk. In the foreground, there are two large ring binders. The top one is orange and has a white label that says "Employees". The one below it is yellow and has a white label that says "Salaries". To the left, a portion of a grey calculator is visible. In the center, there is a pen and some papers. To the right, there is a stack of papers and a metal binder ring. The entire image is dimmed to serve as a background for the text.

Employees

Salaries

Paying Your Employees: Not That Simple

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Jacqueline Breslin



Director, Human Capital Services, TriNet

- Based in San Leandro, Calif.
- 20 years experience in Human Resources.
- Leads a team dedicated to compliance, workplace investigations and challenging employee relations issues.
- Experience implementing and managing HR programs to include policy development, performance management, compensation, recruitment and retention, learning and development, coaching and M&A activity.

Hema Shinde



Human Resources Consultant, TriNet

- Based in Dallas, Texas.
- 10 years experience in Human Resources.
- SPHR and SHRM-SCP Certified.
- Provides compliance and employee relations support to her Client Services team as well as TriNet clients.

Monika Ethier



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- Based in Tri-state (N.Y., N.J., Conn.)
- 10 years experience in Human Resources.
- SPHR and SHRM-SCP Certified.
- MS in HR Management from NYU.
- Supports clients by providing HR consultation and recommendations on the client's overall employee management strategy.

Agenda

Compensation Overview

- 2018 Minimum Wage Checkup
 - Considerations for employers
- Pay Equity Laws and Trends
 - State-by-state updates
- How TriNet Can Help
 - Additional Online Resources
 - TriNet (login.trinet.com)
 - Compensation consulting

2018 Minimum Wage Checkup

- Many cities and counties enacted their own minimum wage laws and 17 states increased their state's minimum wage requirements on January 1, 2018 (December 1 for New York).
- Eleven cities within California will be increasing their minimum wage as of July 1, 2018.
- Minimum wage laws can impact businesses of all sizes, whether operating nationwide, in multiple jurisdictions, or in only a single city, county or state.

2018 Minimum Wage Checkup

- The federal minimum wage has remained at \$7.25 per hour since 2009.
- Minimum wage laws phase in the wage increase gradually over a series of years.

Wage Change Considerations for Employers

1. What is the cost of living in your region?
2. Are there ample advancement opportunities?
3. What's the impact on hiring and retention?
4. What can I do to help attract and retain the best talent?
5. How can I help foster a positive work environment and company culture?

Increasingly, companies are voluntarily opting to raise the minimum pay, either to stay competitive or because they recognize that few people can make ends meet on the current minimum.

Pay Equity – Background

Four federal statutes ban discrimination in pay:

- The Equal Pay Act of 1963 (EPA)
- The Title VII of the 1964 Civil Rights Act
- The Age Discrimination in Employment Act (ADEA)
- The Americans with Disabilities Act (ADA)

In addition:

- Executive Order 11246 prohibits pay discrimination by federal contractors
- Lilly Ledbetter Fair Pay Act

Pay Equity Laws and Trends

- The Equal Pay Act has been reinvigorated by recent political and legislative initiatives.
- A number of bellwether states have enacted robust pay equality statutes, with more legislation on the horizon.

State-by-State Updates

Massachusetts

- Effective July 1, 2018, the Massachusetts Act to Establish Pay Equity (the Act) amends and strengthens the state's existing equal pay law.
- The Act prohibits Massachusetts employers from discriminating between genders with respect to payment of wages and other compensation for work that is comparable (not the same).
- The law requires that “wages” and “wage rates” be equal.

California

Effective January 1, 2016, SB 358 strengthened the Equal Pay Act in a number of ways, including by:

- Comparison across different locations.
- Requiring equal pay for employees who perform “substantially similar work.”
- Making it more difficult for employers to satisfy the “bona fide factor other than sex” defense.
- Making it illegal for employers to prohibit employees from discussing or inquiring about their co-workers’ wages.

Effective January 1, 2017, two amendments to the CFPA took effect:

- Employers are prohibited from paying employees less than other employees of a different race or ethnicity for substantially similar work, with certain exceptions, and
- Employee's prior salary does not in and of itself justify a pay disparity.

Effective January 1, 2018, California’s Fair Pay Act extends to all public and private employers.

New York

- **Effective January 19, 2016**, the New York Women's Equality Act makes significant amendments to New York's equal pay law.
- The amendment makes it unlawful for an employer to pay an employee less than an employee of the opposite sex for equal work.
- Employers are also prohibited from restricting their employees' ability to inquire or discuss wages with their co-workers.
- **Effective October 31, 2017**, it became illegal for public and private employers of any size in New York City to ask about an applicant's salary history during the hiring process, including in advertisements for positions, on applications, or in interviews.

Considerations for employers

- Conduct an internal pay equity audit.
 - Review pay structures:
 - Starting Pay
 - Merit pay increases
 - Promotional pay increases
- Train managers and supervisors on pay transparency provisions of the equal pay laws.
- Update policies and practices.



Additional Online Resources

- **Job Descriptions:**

- ONET - contains hundreds of standardized and occupation-specific descriptors on almost **1,000** occupations covering the entire U.S. economy. The database, which is available to the public at no cost, is continually updated from input by a broad range of workers in each occupation.
- <https://www.onetcenter.org/overview.html>

- **Compensation:**


- Bureau of Labor Statistics Data Finder
- <https://www.bls.gov/bls/blswage.htm>

How can TriNet help?

Beta Site/Upgraded Site/Navigator Suite

✓ Admin > Compliance > TriNet Navigator Suite

Navigator IC




Independent Contractor Assessment

Delivers an actionable risk assessment, a report on how to lower the risk of misclassification, and a summary of applicable laws

[+ Create New Evaluation](#) [🔍 View Evaluations](#)
[▶ IC Agreement](#)

Navigator OT



Exempt Status Assessment

Provides a risk assessment of each applicable exemption, suggestions on how to lower the risk of misclassification, and a summary of the federal and state exemption standards

[+ Create New Review](#) [🔍 View Reviews](#)
[🔍 View Evaluations](#)

How can TriNet help?

Legacy Site/Compensation Reports

- Compensation Reports on Legacy Site
 - **My Staff > Compensation Reports**

HOME MYSELF MY STAFF WORK INBOX MY COMPANY REPORTS FIND HR SUPPORT

Compensation Reports

Search compensation data for current market rates

Job Title:

Region:

Industry:

Generate ▶

How can TriNet help?

Compensation Reports

- ✓ It is a great tool for a quick snap shot of pay information.
- ✓ The compensation reports are generated using our WSE/client data. It has a **limited** number of job titles, industries, and geographies to select from.
- ✓ It is based on job title, location, and industry match only. It does NOT match on job description or years of experience.
- ✓ Not all locations are provided in the TriNet tool; so if the location is not listed, then the data defaults to National.

How can TriNet help?

Compensation Consulting Overview

- Compensation comprises 60% to 75% of most clients' annual budgets.
- Unintentionally overpaying or underpaying for positions means that clients are not maximizing the return on their investments.
- TriNet's Compensation Consulting provides actionable information to ensure the client is maximizing the return on investment in employees.

Employee Job Title	Market 25th %tile	Market Median	Market 75th %tile
Administrative Assistant	\$41,746	\$46,682	\$51,185
Application Support Specialist	\$58,500	\$64,959	\$71,163
Director of Development	\$95,978	\$107,087	\$118,372
Director of Operations	\$172,909	\$200,807	\$231,720
IT Manager	\$93,847	\$103,393	\$112,728
Product Support Specialist	\$41,202	\$46,165	\$50,842
Quality Manager	\$79,754	\$88,537	\$97,246
Regional Sales VP	\$148,512	\$174,511	\$209,874
Senior Project Manager	\$86,342	\$96,375	\$106,518
Software Engineer	\$70,612	\$77,823	\$85,008
Technical Support	\$62,552	\$68,176	\$73,415
Trainer	\$44,130	\$48,545	\$53,838

Summary of Positions Behind Market	% Behind Market Median
Regional Sales VP	-18%
Application Support Specialist	-15%
Director of Operations	-30%
Quality Manager	-29%
Technical Support	-20%
Trainer	-19%
Product Support Specialist	-13%
Software Engineer	-8%

Fictional data provided for illustration only

How can TriNet help?

Compensation Consulting Team

- **Option 1**

- **Data only**

- Job matching.
- Base, variable, and total cash compensation at median, 25th & 75th percentiles.

- **Option 2**

- **Comprehensive Compensation Analysis Report**

- Job matching.
- Base, variable, and total cash compensation at median, 25th & 75th percentiles.
- A detailed analysis of base, variable, and total cash compensation compared to market data on each incumbent.
- Recommended remediation, including a cost analysis of any recommendations.

How can TriNet help?

Compensation Consulting Team

- Data Only Report is **\$189** per position. Each additional location or NAISC/SIC code is **\$50**.
- Comprehensive Analysis Report is **\$299** per position. Each additional incumbent, location or NAICS is \$50.
- Larger or smaller studies are scoped and quoted individually to ensure the service delivers what the client is seeking.

If interested, email compensation@trinet.com and use code “May Webinar” to receive a discounted rate.

Q&A

