

Northwest Compensation & Rewards Forum (NCRF)

As the local chapter of World at Work, we are an association of Total Rewards professionals in the Puget Sound.

NCRF exists for the benefit of its members to:

- promote the exchange of information, ideas, plans, and policies in the field of total rewards
- support networking opportunities to bring together practitioners and experts in our field
- provide education offerings of WorldatWork

Find us at: nwcompforum.org

Email president@nwcompforum.org to get involved



Upcoming Events



Session and event highlights:

- [WorldatWork Sales Comp'22](#) August 22-24 in Chicago.
- NCRF members have access to Total Rewards PDX events at member prices. Go to <https://trpdx.org/Events> and use code **NCRF22** when registering.
- TRPDX hosting Quantitative Principles in Compensation Management in September. www.cwcg.org to register.

October Rewards NW Conference

- [Rewards NW](#) Join us October 7th at the Lynwood Convention Center with in-person & virtual options.
- Register at rewardspnw.com



Dual Membership

NCRF + WorldatWork:

The added benefits to being a dual member with NCRF + WorldatWork? It saves you money!

Have an active NCRF and World at Work Membership? You are a Dual Member and can receive the highest discounts available on training and events.

Ensure your memberships use the same email address to take advantage of Dual Member pricing.



NCRF Scholarships

Apply for a scholarship

- The NCRF Scholarship Program awards scholarships to NCRF members who are pursuing at least one WorldatWork certification designation
- The scholarship is valued up to \$1,495 for a WorldatWork course
- Recipients have two years in which to utilize the scholarship
- We are pleased to announce our most recent recipient - **Megan Gwartz, Compensation and Benefits Manager with Moran Environmental Recovery**
- For future scholarship opportunities: find the Scholarship Application under “Training” at <https://nwcompforum.org/>



NCRF Learning

Virtual World at Work Courses for 2022

- Virtual course and training are available at www.worldatwork.org/learning
- NCRF is a non-profit association. Identifying yourself as an NCRF member helps to maintain NCRF.
- Dual members who use the same email address for both memberships no longer need a code, as WorldatWork will recognize your dual membership and apply your discount
- Not a dual member? To get NCRF member pricing, contact WorldatWork's Customer Relationship Services at 1-877-951-9191 and indicate that you are a current member of NCRF when registering.



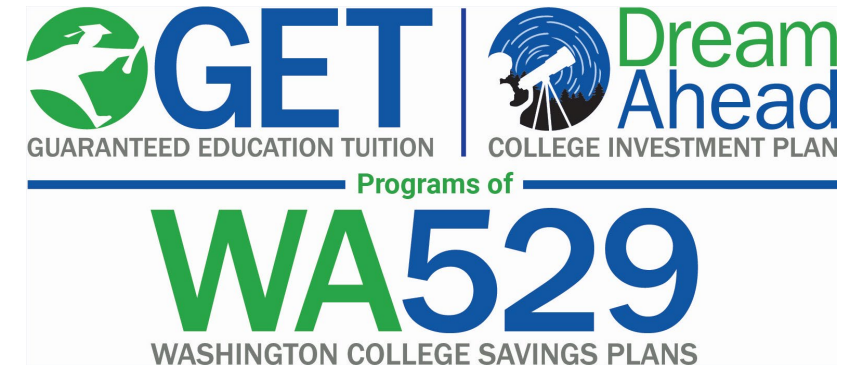
Session Sponsors

We are happy to highlight one of our 2021 sponsors:

Washington College Savings Plans (WA529)

- resource package for employers, called “WA529 in the Workplace”
- WA529 in the Workplace includes employer resources to help empower and support their employee's financial wellness and education – at **no cost to you!**

For employer resources go to wastate529.wa.gov/for-employers





WA529 in the Workplace

Information for Human Resource and Benefits Professionals



529 PLANS
AND STUDENT
SUCCESS

HOW EMPLOYERS PARTICIPATE

Share

- Share WA529 website address and contact information.

Include

- Include WA529 brochures in new employee packets and to have on hand.

Schedule

- Schedule an on-site or virtual Lunch and Learn or Open House for employee education.

Invite

- Invite a WA529 representative to your annual in-person or virtual benefits fair.

Add

- Add an article or small ad on your employee intranet or through employee communication.

Set-up

- Set-up Payroll Direct Deposit for employees to make regular contributions.

FREE & EASY TO ADMINISTER



No complicated
contracts.



No unexpected costs.



No time-consuming
paperwork.

Your company values equity and accessibility.
A voluntary benefit your employees want and need.
WA529 makes it easy to provide it.

[Attract and retain great employees with a 529 plan benefit](#)

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Our Speakers Today



Highlights & Hot Topics from the 2022 Puget Sound and Portland Area Compensation Surveys

Lauren Busey

Principal, Compensation Consultant & Survey Manager

Amanda Burkhart

Senior Communication Consultant



Highlights & hot topics from the 2022 Puget Sound & Portland Area Compensation Surveys

JULY 20, 2022

Lauren Busey
Amanda Burkhart

Caveats

The information provided in today's presentations should be considered incomplete without the benefit of the discussion that accompanied it. The observations described in the presentations are not necessarily applicable to any specific organization. Users of the information provided in this presentation should be advised by professionals with experience in relevant domains.

The opinions provided in the presentations are those of the authors/presenters and should not be attributed to Milliman, Inc.

Today's presenters



Lauren Busey, Compensation



Amanda Burkhardt, Compensation

Agenda

1. What does the data show?
 - Puget Sound Area Compensation Survey
 - Portland Area Compensation Survey
2. Salary budgets
3. Remote work
4. Cost of labor vs. cost of living
5. Pay transparency communication
6. Q&A

Milliman Compensation & Benefit Surveys

PAY, BENEFITS, AND TREND DATA



40+ years

conducting reliable
independent surveys



**Employer
reported data**
for accuracy



Custom market data

scope to your industry, location,
size, etc. or select your peer group



1,800+ jobs
in our database



**1,000+
organizations**
participating



300k+ employees
represented



What does the data show?

What does the data show?

2022 PUGET SOUND AREA COMPENSATION SURVEY

Pay data, salary trends & compensation program prevalence



41st Annual Survey



101 participating employers

195 jobs surveyed -

nonexempt & selected exempt positions

Data released

July 2022

Data effective

April 2022

- **Employer reported, fully customizable data** with continued breakouts by industry, region, size, or simply select the organizations you recruit from or lose talent to by name
- Complies with DOJ's **Safe Harbor Guidelines** requiring minimal sample size for data to appear
- Guidance provided by **Steering Committee** of local HR leaders – Thank you!

2022 Puget Sound Area Compensation Survey

Notable findings



ACTUAL SALARY MOVEMENT

Average across all jobs, 2021 to 2022 at the same organizations

- Base Wage **4.2%** increase
- Range Midpoint **3.6%** increase



N/E SALARY INCREASE BUDGETS

2022 → 4.0% base, 3.3% ranges

2023 → 3.7% base, 3.2% ranges
additional breakouts in report

Some jobs **HOTTER** than others - examples

- Financial Analyst - Senior 6.1%
- Human Resources Generalist 5.9%
- Recruiter 5.6%
- Help Desk Coordinator II 5.6%
- Executive Assistant to CEO 5.4%
- Systems Analyst 5.4%
- Buyer 5.3%
- Custodian 5.3%
- Accountant 5.1%
- Maintenance Supervisor 4.7%
- Network Administrator - Senior 4.6%



Source: Milliman Puget Sound Area Compensation Surveys

What does the data show?

2022 PORTLAND AREA COMPENSATION SURVEY (PACS)

Premier source of compensation data for cross-industry positions within the Portland Metropolitan area



40th Annual Survey



71 participating employers
208 jobs surveyed -
nonexempt & selected exempt positions

Data released
Data effective

April 2022
January 2022

- **Employer reported, fully customizable data** with continued breakouts by industry, region, size, or simply select the organizations you recruit from or lose talent to by name
- Complies with DOJ’s **Safe Harbor Guidelines** requiring minimal sample size for data to appear
- Guidance provided by **Steering Committee** of Portland area HR leaders – Thank you!

2022 Portland Area Compensation Survey (PACS)

Notable findings



ACTUAL SALARY MOVEMENT

Average across all jobs, 2021 to 2022 at the same organizations

- Base Wage **3.2%** increase
- Range Midpoint **2.7%** increase



N/E SALARY INCREASE BUDGETS

2022 → 3.7% base, 2.7% ranges

2023 → 3.4% base, 2.9% ranges
additional breakouts in report

Some jobs **HOTTER** than others - examples

- Customer Service Rep. - Senior 6.9%
- Accounting Supervisor 6.6%
- Custodian 6.4%
- Human Resources Generalist 6.0%
- Material Handler 5.7%
- Help Desk Specialist – Senior 5.7%
- Network Systems Engineer 5.5%
- Accounting Clerk 4.6%
- Payroll Specialist 4.2%
- Customer Service Rep. 4.0%
- Human Resources Manager 3.9%



Source: Milliman Portland Area Compensation Survey



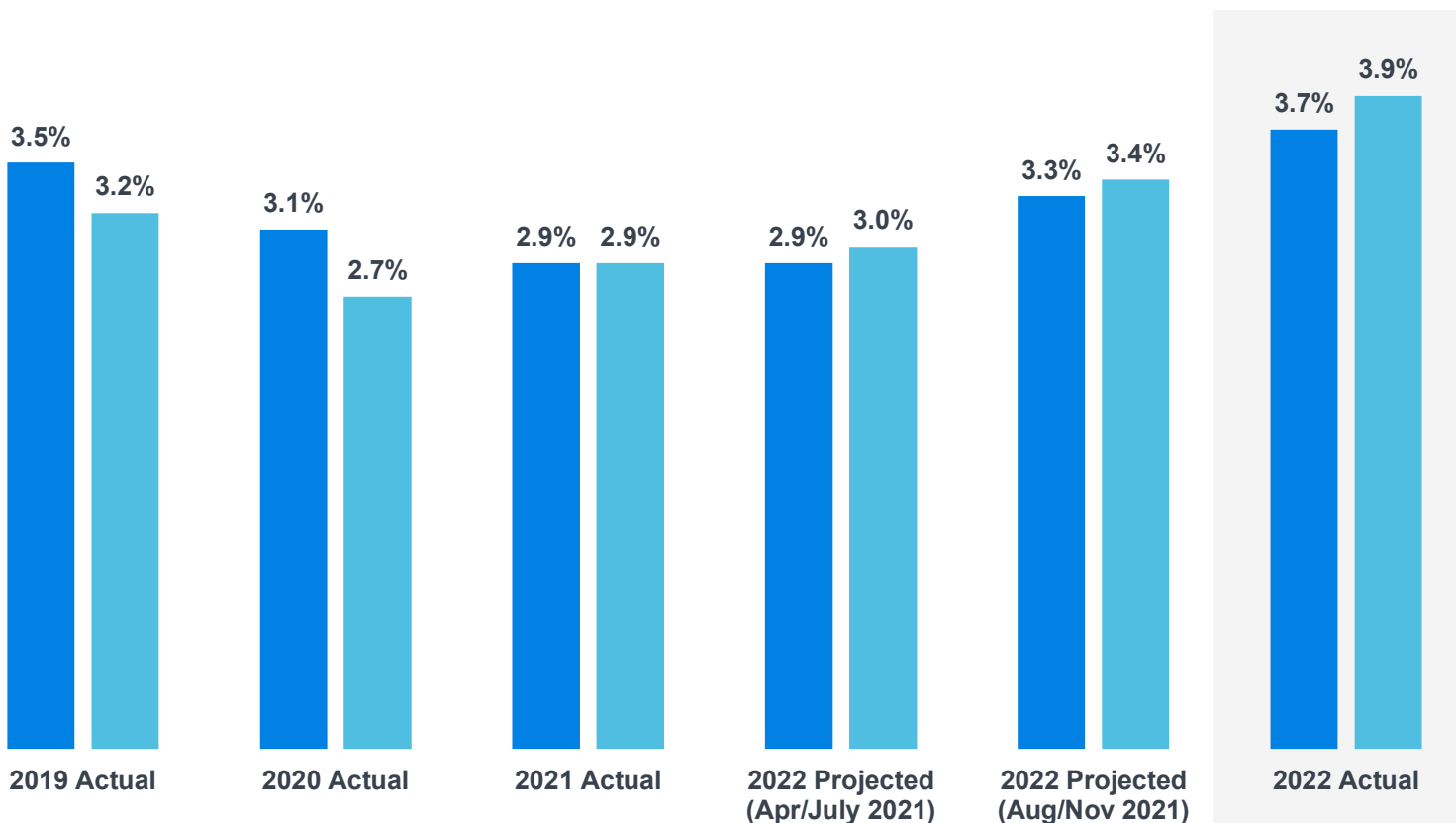
Portland Area Compensation Survey (PACS)



Puget Sound Area Compensation Survey

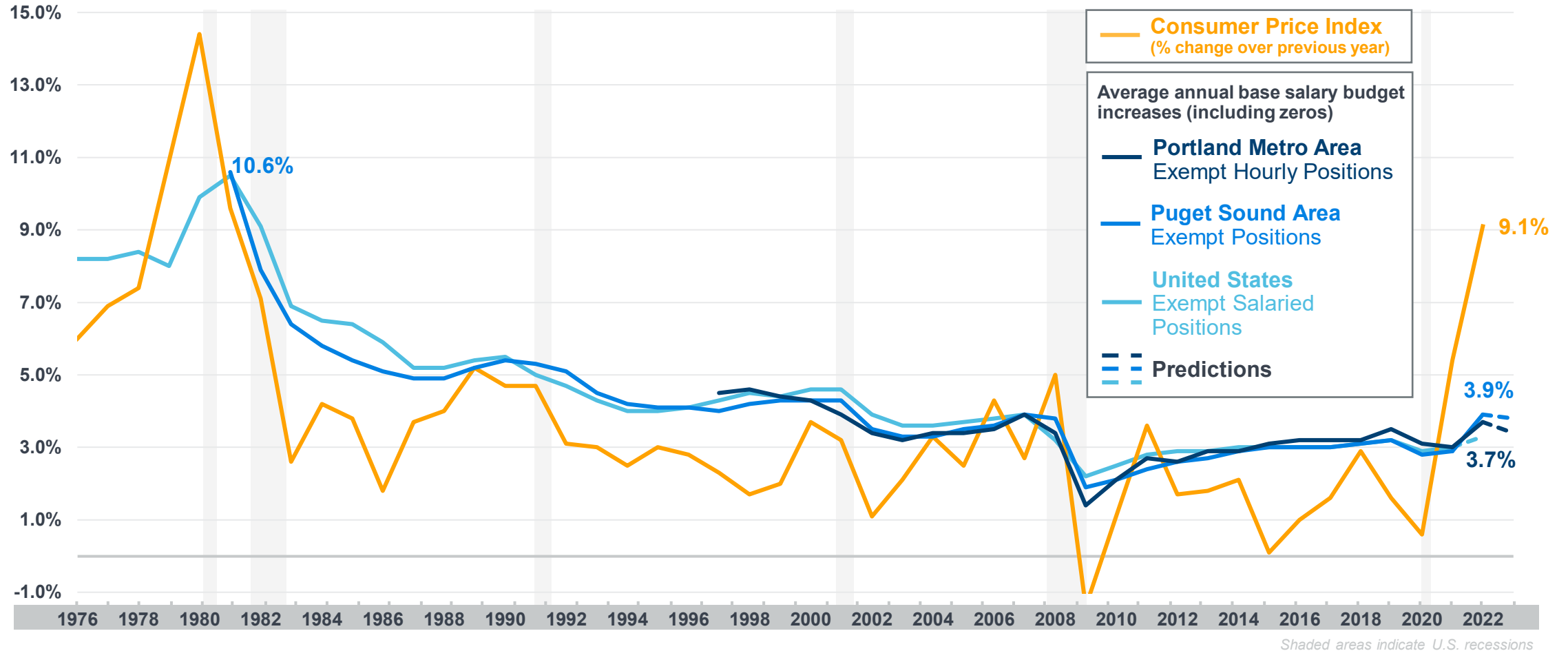
2022 actual increases are ahead of projects

Average % adjustments to actual salaries for exempt positions
(zeros included)



Source: Milliman Portland Area Compensation Survey and Milliman Puget Sound Area Compensation Survey, Salary Adjustment Trends, All Participants
(average percent adjustments including zeros, for exempt positions)

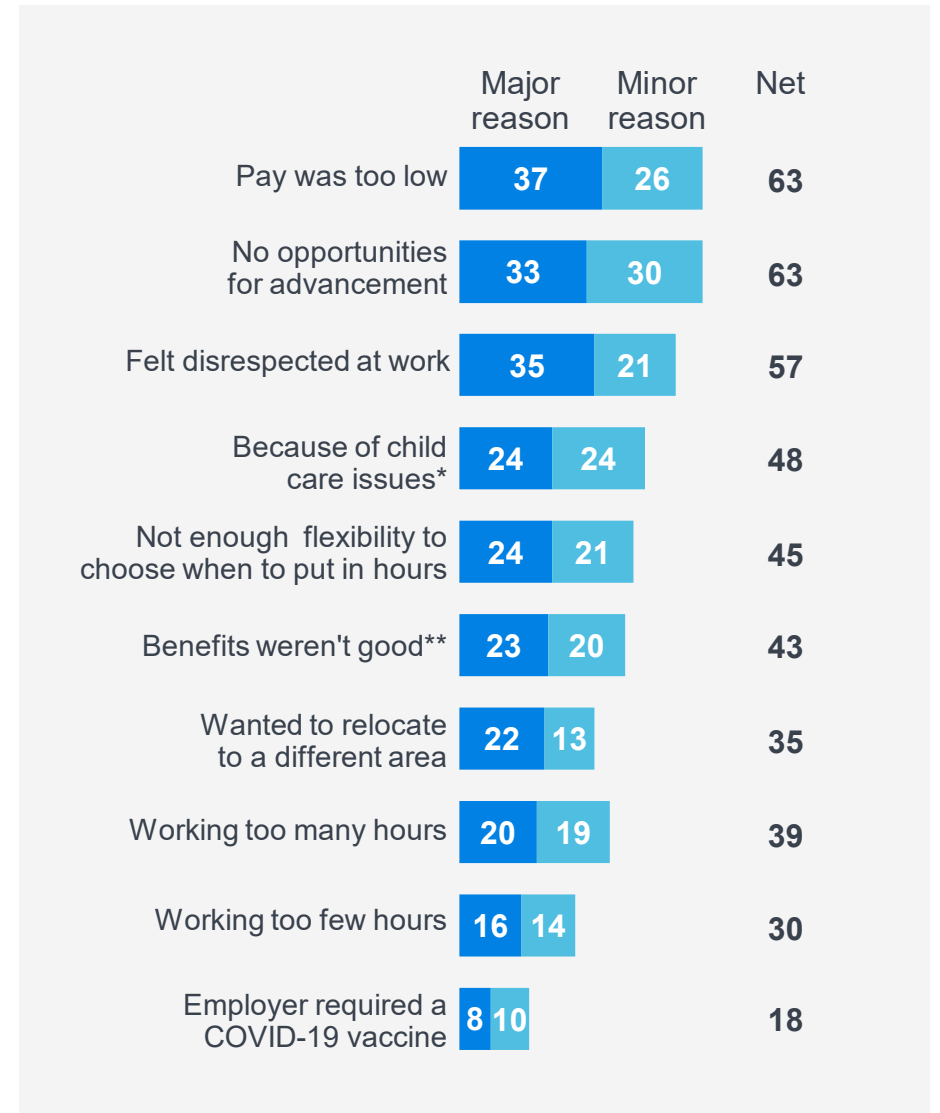
Inflation and salary increase budgets



Source: Milliman Portland Area Compensation Survey; Milliman Puget Sound Area Compensation Survey; WorldatWork Salary Budget Survey; U.S. Bureau of Labor Statistics, CPI for All Urban Consumers (CPI-U), 1976-2022 (June)

Majority of workers who quit a job in 2021 cite **low pay, no opportunities for advancement, and feeling disrespected**

PEW RESEARCH CENTER



Source: Parker Kim and Horowitz Juliana (2022, March 9). *Majority of workers who quit a job in 2021 cite low pay, no opportunities for advancement, feeling disrespected*. Pew Research Center, 16 May 2022, www.pewresearch.org.

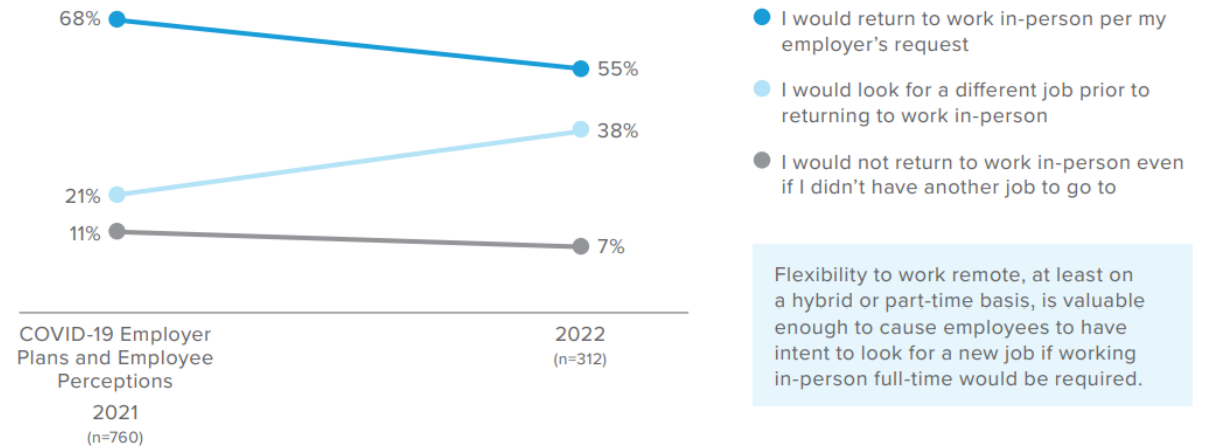
Remote work flexibility

93%

of participating employers in
Milliman's 2022 Puget Sound Area
Compensation Survey
offer the option to work remotely

Employee perceptions

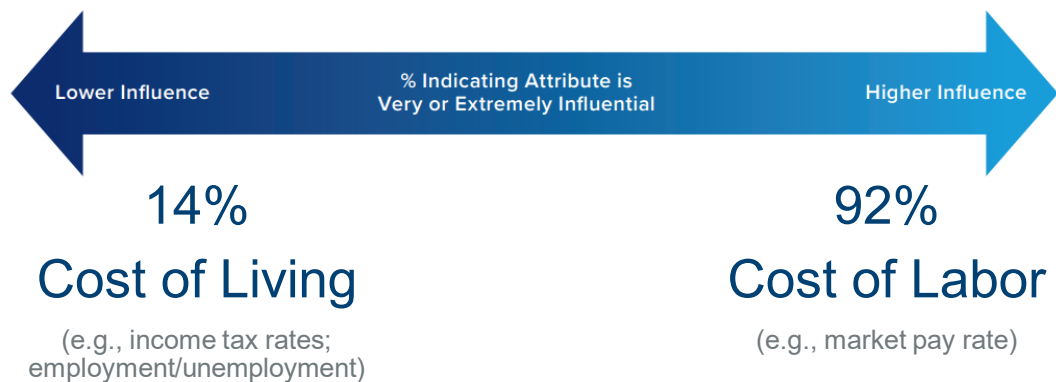
If your employer decided that remote work will not be allowed and you will be required to work in-person full-time, what would you do?



Sources: 2022 Milliman Puget Sound Area Compensation Survey; 2022 WorldatWork Geographic Pay Policies

Cost of labor vs. cost of living

How influential are each of the following attributes on determining your organization’s geographic pay policy approach?



Differentials vs. **U.S. average**, ERI \$80,000 salary level

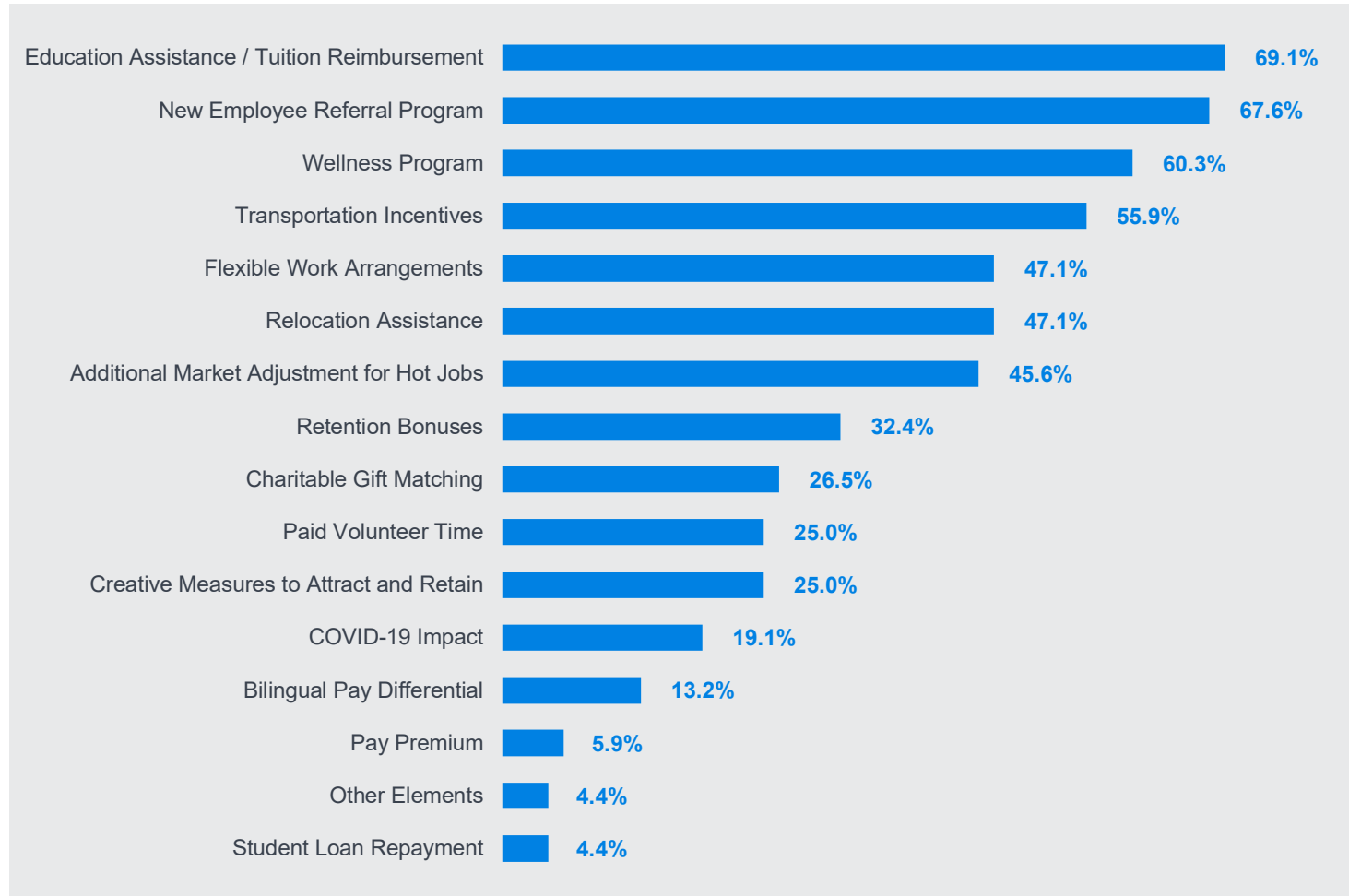
	Cost of living differential	Pay differential
San Francisco, CA	205.4%	30.6%
New York, NY	183.6%	24.3%
Seattle, WA	64.1%	16.5%
Anchorage, AK	27.7%	11.9%
Denver, CO	29.7%	9.0%
Houston, TX	3.1%	8.7%
Portland, OR	31.2%	4.1%
Spokane, WA	1.5%	-2.5%
Eugene, OR	4.7%	-3.8%
Boise, ID	19.4%	-8.4%

Sources: 2022 WorldatWork Geographic Pay Policies; 2022 ERI Economic Research Institute, Inc.

Elements provided to help attract and retain

&

Employee retention strategies



Source: 2022 Milliman Puget Sound Area Compensation Survey

1. Offer fair and competitive pay
2. Invest in your employees and their growth and provide recognition where it's due
3. Prioritize employee wellness
4. Be flexible
5. Communicate openly and often



Pay transparency communication

Your employees are talking about pay, you should too!

Why talking about pay is important



Create trust



Improve morale



Increase retention



Increase pay equity

Communicating about pay



Share your compensation philosophy



Be open about how pay decisions are made



Educate about pay equity

Background

Large healthcare organization



About to release findings of organization-wide pay audit



Have a written compensation philosophy



Follow compensation best-practices



The Plan



Identify **audiences**



Establish **key messages**



Be **transparent**



Communicate **regularly**



Explain the bigger picture

Audiences



Leadership



People managers



Current employees



Prospective employees

Compensation philosophy – key messages

Philosophy and policy

Guide decisions and align actions



Competitive position



**Commitment to
employees & mission**

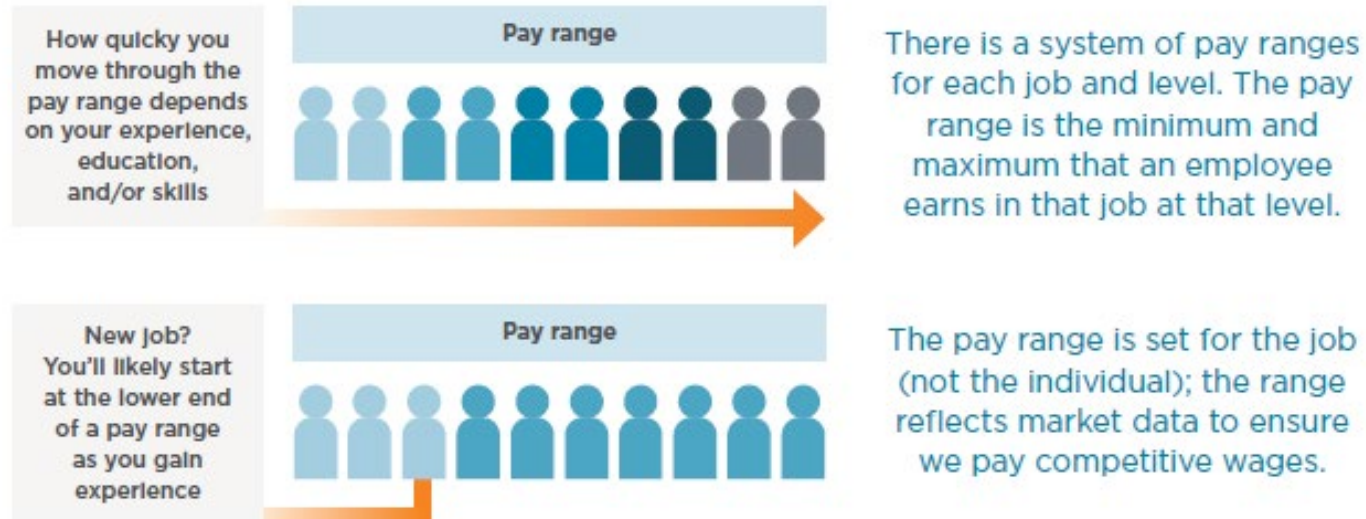


Equity



**Attraction, retention
& performance**

How pay decisions are made



Cost of living vs. cost of labor



Cost of **Living**

*The **costs to a consumer** in a specific geographic area.*

Reflects the price of food, housing, groceries, transportation, taxes and entertainment.

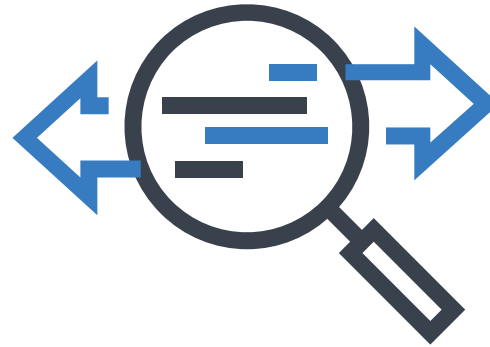
Simply put, it's the cost of maintaining a certain standard of living.




Cost of **Labor**

*The **difference in pay or labor market** for a job from one location to another.*

Another way to phrase this, is that the cost of labor is what a particular geographic market offers as the “going rate” or compensation for its jobs.

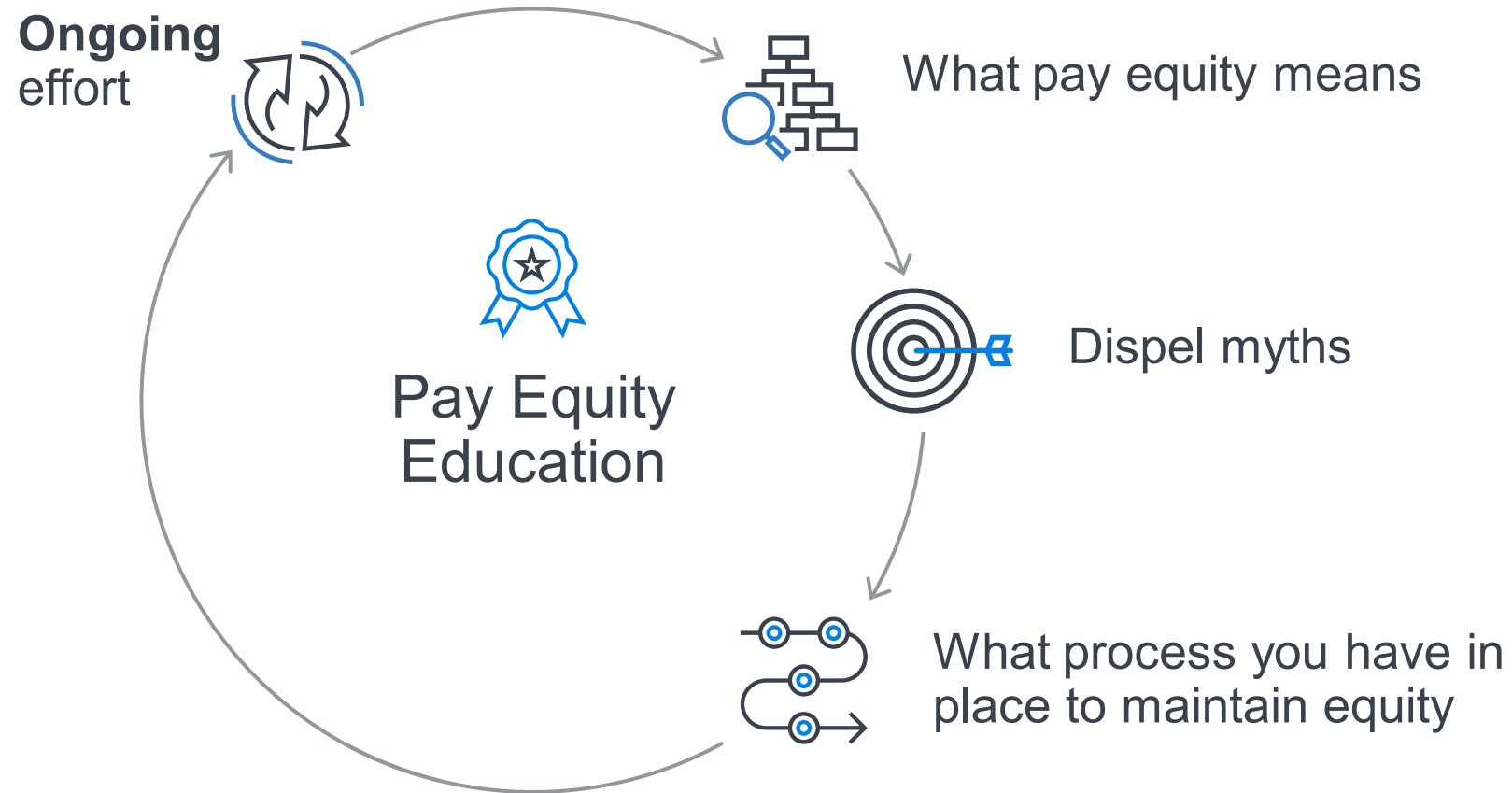


- Don't call annual increases “cost-of-living” increases
- Cost of living is only one element that goes into setting and adjusting pay ranges

A photograph of three diverse professionals in a modern office setting. A Black man in a light-colored button-down shirt is leaning over a desk, pointing at a document. A woman with long red hair, wearing a dark blazer, is looking at the document. A white man with a beard, wearing a plaid shirt, is sitting at the desk, looking at a laptop. The office has large windows in the background, letting in natural light. The text "Pay employees the same when they perform the same or similar job duties, regardless of age, gender, or race." is overlaid on the image in white and blue font.

**Pay employees the same
when they perform the same
or similar job duties,
regardless of age, gender, or race.**

Educate about pay equity





Questions

More information

Other available resources

- **Northwest Benefits Survey – June**
- **Northwest Financial Industry Compensation Survey – August**
- **Alaska Compensation Survey – August**
- **Northwest Management & Professional Compensation Survey – September**
- **Northwest Engineering / Scientific / Project Management Survey – September**
- **Northwest Utilities Salary & Wage Survey – September**
- **Northwest Technology Survey – September**
- **Spokane / Inland Northwest Compensation Survey – October**

Fall salary adjustment trend updates coming soon!



Thank you

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