

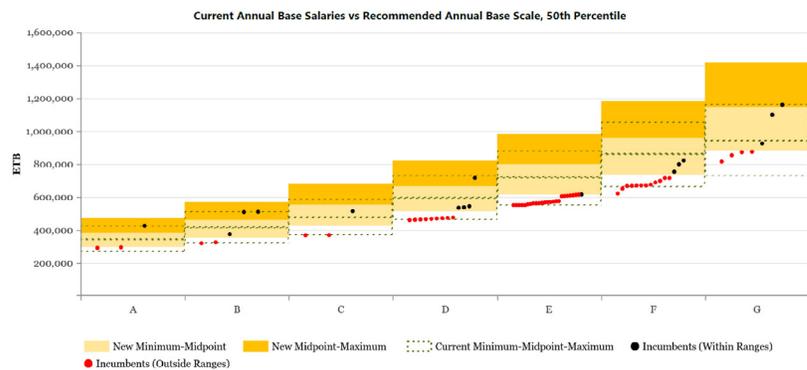
We Improved Our Salary Scale Design Report

Our Salary Scale Design Report has a new look! Over many years, we've learned a lot from our clients about how they use our Salary Scale Design reports, so we thought it's time for a change.

For 2021, we've developed new features to help clients understand their market position even better, along with new features to assist in measuring the budgetary impact of scale design changes. The new report is also more flexible to accommodate for different types of users. Here's everything you need to know about the new report:

New! Incumbent Base Salary Position Analysis

This chart, previously an optional item, has now been incorporated into the standard report. It allows clients to see where incumbents fall in the salary range, highlighting those outside the range. At a glance, management can easily understand whether the salary scale is being used effectively.



Section I. Executive Summary

XYZ Org engaged Birches Group to conduct a market analysis of total compensation in Ethiopia and recommend an updated salary structure for the organization. This Executive Summary provides a high-level overview of the results.

Comparison of XYZ Org data against the market is carried out on a total compensation basis, including base salary, fixed cash allowances, variable pay, and in-kind benefits. Pension, medical and insurance plans are excluded as these are potentially complex benefits whose valuation may be tied to the demographics of an organization's employee population and can't easily and accurately be reduced to a single monetary figure for the purposes of comparison. Rather, employers should ensure that their practices with respect to these benefits are generally consistent with that of other employers in the market.

A full description of the methodology used for this study is found in Section II.

Market Position

The Birches Group finds that **XYZ Org trails the market by 14.1% at the 50th percentile**. Some issues observed relative to the current scale are noted below:

- There are large overlaps in pay across most grades.
- There is very little distinction between the pay ranges of Grades I and J.
- There are incumbents paid outside the salary range for their respective grades.

The remaining portion of this Executive Summary includes the following analysis:

- A comparison of the current and recommended total compensation against the 50th percentile of the market
- An analysis of incumbents plotted in the recommended scale, along with a cost estimate to adjust salaries and to align to the new scale

Simplified Executive Summary

Every important observation can now easily be found in one place! This opening section outlines all salient findings from your Salary Scale Design project.

Clear Cost Implications

When it comes to salary scale design, managers and stakeholders often want to know how much is it going to cost. We made enhancements that show the cost implications from each proposed salary scale, making it easier to assess each option against your internal budget.

| Employer Grade | Incumbent Count | Percentage of Incumbents Requiring Adjustment | Total Base Salary Cost (ETB) | Total Compensation Cost (ETB) |
|-------------------|-----------------|-----------------------------------------------|------------------------------|-------------------------------|
| A | 3 | | 65,866 | 77,942 |
| B | 5 | 100% | 228,534 | 270,431 |
| C | 3 | 100% | 200,683 | 237,475 |
| D | 13 | 100% | 746,165 | 882,962 |
| E | 25 | 100% | 1,644,593 | 1,946,102 |
| F | 15 | 100% | 1,251,514 | 1,480,958 |
| G | 7 | 100% | 1,421,020 | 1,681,540 |
| H | 2 | 100% | 418,800 | 495,580 |
| I | 4 | | 767,234 | 907,893 |
| J | 3 | 100% | 1,397,418 | 1,653,612 |
| K | 1 | 100% | 529,518 | 626,596 |
| Total Cost | | | \$8,671,345 | \$10,261,091 |

Change in Pricing

As a result of the new enhancements we made, we updated our pricing, which also takes effect March 2021:

- \$4,500 for Private sector and International Organization sector clients
- \$3,500 for our NGO sector clients

Clients with ongoing ad hoc and multi-year salary scale design projects will retain the same pricing stated in their contracts.

To learn more about our approach to salary scale design, access our e-book [here](#) or [see case studies](#) of how we were able to solve different salary scale issues for our clients.

We will begin using our new Salary Scale Design Report in February. [Contact us](#) to schedule a demo or check out our LinkedIn page and website for more announcements.

Designing good salary scales requires rigorous analysis and expertise. We can help you! Contact us to schedule a consultation and demo of our Scale Design Report.

Let's Talk.



Email / Website / LinkedIn