

# Compensation Benchmarking Report Q3 2023

**Summit Digital Solutions, Inc.**

*Confidential & Proprietary*

*Prepared: October 15, 2023*

## 1. Executive Summary

This compensation benchmarking report analyzes Summit Digital Solutions' current compensation structures against industry peers and market standards for Q3 2023. The analysis encompasses base salary, equity compensation, and benefits across all employee levels within the digital transformation and enterprise technology consulting sector.

## 2. Methodology & Data Sources

### 2.1 Primary Data Sources

- Radford Global Technology Survey 2023
- Mercer Digital Services Compensation Database
- CompTechData Annual Survey 2023
- Internal compensation records Q1-Q3 2023

### 2.2 Peer Group Selection

Selected peer group consists of 15 companies meeting the following criteria:

- Revenue: \$50M-\$150M
- Headcount: 250-500 employees
- Industry: Digital transformation/Enterprise technology consulting
- Geographic presence: North America (primary)
- Growth stage: Series B-D funded

## 3. Market Position Analysis

### 3.1 Base Salary Benchmarking

Position|SDS Median|Market Median|Variance

---|---|---|---

Senior Software Engineer|\$145,000|\$142,000|+2.1%

Solutions Architect|\$165,000|\$168,000|-1.8%

Product Manager|\$135,000|\$130,000|+3.8%

Data Scientist|\$140,000|\$138,000|+1.4%

DevOps Engineer|\$138,000|\$135,000|+2.2%

### **3.2 Total Compensation Analysis**

- Base salary positioning: 55th percentile
- Total cash compensation: 60th percentile
- Equity compensation: 65th percentile
- Total rewards package: 62nd percentile

## **4. Key Findings**

### **4.1 Competitive Strengths**

Above-market equity compensation for technical roles

Competitive base salaries for senior individual contributors

Strong benefits package relative to peer group

Performance bonus structure above industry standard

### **4.2 Areas for Adjustment**

Mid-level management compensation gap (-5% to market)

Sales compensation structure requires realignment

Technical specialist premiums below market rate

Regional variance adjustments needed

## **5. Detailed Analysis by Employee Level**

### **5.1 Executive Level (C-Suite, SVP)**

- Base compensation: 65th percentile
- Long-term incentive (LTI) positioning: 70th percentile
- Total compensation mix: 40% base/30% bonus/30% equity
- Key finding: Competitive with market standards

### **5.2 Senior Management (VP, Director)**

- Base compensation: 55th percentile
- LTI positioning: 60th percentile
- Total compensation mix: 60% base/20% bonus/20% equity
- Key finding: Slight adjustment needed in equity allocation

### **5.3 Technical Specialists**

- Base compensation: 58th percentile
- LTI positioning: 52nd percentile
- Total compensation mix: 70% base/15% bonus/15% equity
- Key finding: Increase needed in specialized skill premiums

## **6. Benefits Analysis**

### **6.1 Core Benefits Package**

- Healthcare: Above market median
- 401(k) match: At market median (4%)
- PTO: Above market median (unlimited for exempt)
- Professional development: Above market median

### **6.2 Supplemental Benefits**

- Remote work allowance: \$2,500 annually
- Wellness program: \$500 annually
- Education reimbursement: \$5,000 annually
- Technology stipend: \$1,000 annually

## **7. Recommendations**

### **7.1 Immediate Actions**

Implement 5% adjustment to mid-level management base compensation

Revise technical specialist premium structure

Update sales compensation plans to align with market

Review equity refresh grant guidelines

### **7.2 Long-term Strategic Initiatives**

Develop formal compensation bands by level

Implement quarterly market adjustment reviews

Enhance performance-based compensation metrics

Establish formal promotion and compensation review cycles

## **8. Budget Impact**

### **8.1 Proposed Adjustments**

Total budget impact of recommended changes:

- Q4 2023: \$425,000
- FY 2024: \$1,750,000
- % of current compensation spend: 2.8%

## **9. Legal Disclaimers**

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## **10. Document Control**

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Prepared by: HR Compensation Team

Reviewed by: Legal Department

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