When Salaries Aren't Secret

## Q1)

I believe that the company should be doing several things that could help when they hire someone from the outside of the company with a significantly higher salary. The first thing they could do is to conduct a market survey to determine how much of a value this job title has when it comes to a dollar amount. They should adjust according to all the positions. The positions will either be paid for right now or you will lose that employee to another company that IS paying the market value of the job. The company could either implement a performance-based structure or keep the same structure but add additional benefits to make up for the salary differences. Keeping the fair, transparent, and honest compensation strategies will attract and retain the top-talent. There is no “one-size fits all” when it comes to compensation plans.

If they are not wanting to adjust the current pay of employees, then there needs to be even more communication that the pay discrepancies are based on position rather than the person. Employees need to know that they the positions that people are in are paid (usually) at a range. The “going rate” should be for positions, not people.

## Q2)

At the staff meeting, the CEO should listen sympathetically to the concerns of the employees, make the appropriate comments about conducting a review and examining disparities, and take steps to address any unjustified disparities in the compensation system. He should also emphasize the importance of computer security and take measures to prevent similar breaches in the future. The CEO could also try to turn the situation into something positive by saying that the company is entrusting employees with the same information as senior managers and that it is a sign of treating them as partners in the business. He should also have a small moment for the VP of HR to explain how the compensation plan is used inside of the company.