

Compensation Philosophy

A compensation philosophy is simply a formal statement documenting Thomas Jefferson Planning District Commission's (TJPDC) position as it relates to employee compensation. It explains the "why" behind employee pay and creates a framework for consistency. Key components to include, but are not limited to the following:

Market Competitiveness

TJPDC's commitment to offer total compensation packages that are competitive with those offered by similar organizations within the market and sector. By targeting the **median of market**, TJPDC aims to balance competitiveness with fiscal responsibility.

Internal Equity

Strive to maintain a balanced and fair compensation system that recognizes the value and contributions of each position, while promoting a sense of internal equity amongst staff.

Career Progression

Tie compensation to career progression. Develop clear paths for advancement within TJPDC and ensure that pay increases are associated with increased responsibilities and skills development.

Market Research and Continuous Improvement

Continuously monitor the job market and industry trends to ensure TJPDC's compensation packages remain relevant, competitive, and aligned with organizational objectives and commit to regularly reviewing and adjusting compensation philosophy and practices accordingly. This is accomplished by regularly benchmarking salaries and benefits against industry standards.

Legally Compliant

Adhere to all applicable laws and regulations governing compensation and dedicated to managing resources wisely to ensure the long-term financial stability of the organization.

Why is having a compensation philosophy important?

- Helps support business strategy
- Aids in attracting top talent (market competitiveness/position)
- Increases employee engagement and motivation
- Ensures fairness and equity
- Increases retention and talent development (career growth/progression)
- Helps manage labor cost
- Ensures legal and regulatory compliance
- Promotes transparency and communication