

## A MINI CASE STUDY

# Building a Unified Foundation: Streamlining Compensation for Two Merging Organizations

## Client Demographics

**Nonprofit HR Practice Area:** Total Rewards

**Location:** Washington, D.C.

**Sector:** Nonprofit

**Mission Types:** Education and Professional Society Association

**Staff Sizes:** 26-75 and 76-150 employees

**Annual Budgets:** \$5-\$10 million and \$20.1-\$50 million

**Scope of Work:** Compensation & Benefits

## Scenario

Two merging organizations sought support from Nonprofit HR to review, build and provide strategic guidance on a single new compensation structure, philosophy, practices and policies.

**Engagement Duration:** 8 months

## Engagement Details

The Total Rewards team at Nonprofit HR helped the organizations review all position titles and consolidate duplicate roles to move forward with building the compensation structure. They also partnered with the client's new leadership team to re-define the compensation philosophy and align pay practices for the newly created firm.

## Considerations

- 1 Each firm brought legacy compensation structures, practices, policies and philosophy, making this a very complex engagement to merge two compensation structures into one and partnering with leadership to move forward into decision making.
- 2 The restructuring required a Market Analysis for each unique role and an estimated 100 roles had to be analyzed for consolidation.

## Solutions

The Total Rewards team supported the creation of a consolidated compensation structure, with 11 salary bands and job band definitions, based on the U.S. national average market data. Five independent surveys were used to provide robust market data. Also included in the deliverables were updated compensation philosophy and pay practices. In partnership with Nonprofit HR, the client trained people managers on the new program to enable the support of their teams in implementing the structure. The successful merging of two disparate compensation structures is a reflection of the seamless support Nonprofit HR was able to provide by assisting the client in establishing a strong, unified foundation upon which they will move forward as one organization.