



California Independent
Schools Business
Officers Association

Making Strategic, Goal-Based Pay Decisions

Employers have always struggled to make pay decisions that result in equitable, competitive, cost-effective, legal, and transparent salaries. Now, more than ever, the goals of regulatory compliance and transparency are front of mind. [Shari Dunn, Managing Director at Gallagher](#), will outline how to establish and manage base pay structures that facilitate the achievement of all these goals, including compliance with SB 1162.

For private schools, the structures for teachers are typically different from those that apply to the administrative staff positions. During this session, we will, for each of these groups, evaluate the strategic criteria that do, or should, determine differences in actual pay. These criteria are typically one or more of the following: (1) the job itself, (2) performance outcomes, (3) tenure/experience, (4) educational attainment, and/or (5) level of competency development. Of course, the values of the jobs themselves are usually based on both the internal relativity with other jobs and with labor market indicators.

Provoked by SB 1162, private school employers should take it a step beyond mere compliance and decide which of the many definitions of “transparency” will apply to their goal of compensation communication. Pay transparency usually means the degree to which pay levels and the basis on which they are determined are divulged to employees. This is much easier to do when there are clear criteria that are applied systematically to set actual salaries. When employers allow or even encourage, flexible, discretionary pay decisions, especially those focused on percentage increases, they inevitably result in inequitable salaries that are also challenging to communicate. Sherri will provide guidance on how to establish the structures and practices needed to achieve the strategic goals of pay equity and competitiveness, as well as to facilitate the levels of transparency needed from both an employee relations and a legal standpoint.