



# Columbus Compensation Association

May 2007

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## Contact Us

<http://www.columbuscomp.org>

[info@columbuscomp.org](mailto:info@columbuscomp.org)

## Meeting Announcement

### Breakfast Presentation

Wednesday, May 23rd

The Fawcett Center, 2400 Olentangy River Rd.

### Ten Lies About Labor Markets

**Presenter: Steve Treder, Vice President for Strategic Development, Western Management Group**

#### Schedule

Registration	7:45 - 8:00 a.m.
Breakfast	8:00 - 8:30 a.m.
Keynote Presentation	8:30 - 9:30 a.m.

<u>Cost</u>	<u>Member</u>	<u>Non-Member</u>
Meeting Keynote	\$30*	\$40

Registration Due Date: Wednesday May 16, 2007

\* No meeting cost for those who prepaid membership and meeting package for 2007.



## Program Overview

### Ten Lies About Labor Markets

We've all heard them: the familiar old assumptions about labor markets and our measurement of them. But are they really true?

In an interactive presentation/discussion that focuses on ten "clichés" regarding the pay market, Steve Treder of Western Management Group will suggest ways in which the truth is often less simple. In a format that encourages real-life anecdotes and examples (and some fun!), our assumptions, perhaps unexamined, will be explicitly challenged. The limitations, as well as the genuine value, of market surveys and their analysis in creating competitive pay programs will be explored. We'll see that labor markets are something not to be feared, but always to be respected.

## About the Speaker

### **Steve Treder, Vice President for Strategic Development Western Management Group**

**Steve Treder** is the Vice President for Strategic Development for Western Management Group, a management consulting firm that has specialized in compensation market analysis since 1972. Prior to joining WMG, Steve was the Worldwide Sales Compensation Manager for Hewlett-Packard, and held senior Compensation and Human Resources positions in the high technology industry for nearly twenty years. Among his areas of particular expertise are Incentive Compensation Plan design, and Labor Market analysis. Steve holds a Master's Degree from Stanford University and a Bachelor's Degree from Santa Clara University, both in the field of Sociology. A native and lifelong resident of the San Francisco Bay Area, he is an avid amateur baseball historian, and has published numerous articles and books on the subject, including *The Hardball Times Baseball Annual*.

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## Sneak Peak - September Meeting/Workshop Announcement

### Back by Popular Demand

**Topic: Can Base Pay Really Reward Performance?**  
**Presenters: Jay Schuster and Patricia Zingheim**  
**Save the Date: Tuesday, September 18, 2007**



Please save the date for the Columbus Compensation Association's September Breakfast Meeting. A workshop will immediately follow the Breakfast Presentation. More details to follow.

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## Professional Development WorldatWork Course Reminder

Below is a list of WorldatWork courses offered in 2007 in Columbus, OH.  
Just a reminder, sign up soon, spots are limited.

July 16, 17 and 18, 2007

T4: Strategic Communication in Total Rewards

C12: Variable Pay: Incentives, Recognition and Bonuses

October 1, 2, 3, 2007

C15: Global Compensation - Strategy in Practice

C17: Market Pricing – Conducting a Competitive Pay Analysis

Course location: Quest Conference Center (near Polaris Pkwy and 71 North)

Just a reminder, sign up soon, spots are limited.

Suggestions for upcoming professional development classes? Simply, email Amanda Linard,  
CCA Professional Development Chair at [amanda.linard@cardinal.com](mailto:amanda.linard@cardinal.com).

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## March 15th Meeting Review

Columbus Compensation Association's last meeting presentation took place on March 15<sup>th</sup>. The topic was Sales Practice of High Performing Companies and Key Compensation Trends for 2007. The presenter was Ted Briggs from Watson Wyatt. Mr. Briggs provided some very interesting statistical statements for instance, "reps at high-performing firms receive 40% more sales-related variable compensation in their total pay than reps at low-performing firms". It was also interesting to learn that it typically takes 65-75% of people to achieve a quota to be able to hit the numbers and create morale. There also seems to be a lot of frequent change. Mr. Briggs stated that most companies change their sales compensation plan at least once a year. Also, not surprising, was that many companies are focusing on global sales compensation framework. Mr. Briggs used interesting statistical information to explain the future in sales compensation plans.

## Book Winners!

Congratulations to our March 15<sup>th</sup> Breakfast Presentation Book Winners!

**Shaun P. Brown ~ American Signature, Inc.**

**Steve Turner ~ WD Partners**

**Maureen Koblentz ~ Nationwide**

Winners received copies of Sales Compensation Essentials: A Field Guide for the HR Professional by Jerome A. Colletti, Mary S. Fiss, Ted Briggs, S. Scott Sands.



## In the News

- An imbalance in the pay of chief executive officers triggers higher turnover among managers, according to research conducted by Charles O'Reilly, director of the Center for Leadership Development and Research at the Stanford Graduate School of Business. For the study, O'Reilly analyzed data from 120 large public companies over a five-year period, tracking five levels of senior managers from vice president to division general manager. He found one example in which a firm paid the chief executive officer 50 percent more than the industry norm and paid the general managers 50 percent below the industry norm. At the company, O'Reilly found, turnover among the general managers was 18 percent higher than at firms whose chief executive officers were equitably paid. ([www.compensation.blr.com](http://www.compensation.blr.com))
  
- A minimum wage increase approved by Congress died after President Bush vetoed the spending bill to which the increase was attached. Bush said he vetoed the spending bill because it included a timetable for the withdrawal of American troops from Iraq. While Bush has said he supports an increase to the minimum wage as long as it is packaged with tax cuts for small businesses, he has also promised to veto any legislation that includes a timetable on Iraq. Congress approved raising the minimum wage to \$7.25 per hour over a period of 26 months and linked the increase to \$4.8 billion in tax breaks for businesses. The minimum wage increase was stalled in Congress until lawmakers struck a deal on the tax-cut package last week. Democrats don't appear to have enough votes to override Bush's veto, so lawmakers who support raising the minimum wage will have to go back to the drawing board. Meanwhile, a growing number of states are taking action on the minimum wage. Thus far, 33 states have approved minimum wages above the current federal level (\$5.15 per hour). Ten of those states have linked future increases to inflation. ([www.compensation.blr.com](http://www.compensation.blr.com))
  
- In what might signal a major issue for the upcoming 2008 presidential election, organized labor has launched a state campaign to ask Ohio voters whether workers should be guaranteed seven days of *paid* sick leave, per year. Ohio is an important state in any national election, and this could be a start of a multi-state effort. On April 6, 2007, a petition was filed to advance a new statute titled the "Healthy Families Act" before the Republican-controlled Ohio General Assembly. The proposed statute is almost identical to legislation (S. 910 and H.R. 1542) pending in the U.S. Congress, also titled the "Healthy Families Act." As drafted, the Ohio proposal would require that employers with 25 or more workers provide seven days of paid sick leave annually for employees working 30 hours or more a week. The bill also would provide a pro-rated amount of paid sick leave annually for employees working less than 30 hours per week or less than 1,560 hours per year.. ([www.shrm.org](http://www.shrm.org))

**Please Note:** This material is provided as general information and is not a substitute for legal or other professional advice.

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## WorldatWork Bookstore

The following books are recommended by WorldatWork and are available for purchase at their website - [www.worldatwork.org](http://www.worldatwork.org)



**New Release!**

**Workforce Engagement  
Strategies to Attract, Motivate  
and Retain Talent**

Stephen P. Hundley, Ph.D.,  
Frederic Jacobs, Ph.D.,  
and Marc Drizin

List \$39.95 USD (Members: \$29.95 USD)



How-to Series  
for the HR Professional

**Communicating Total Rewards**

Susan Rogers,  
Karl W. Lohwater, CCP,  
Holly Hager

List \$21.95 USD (Members: \$17.95 USD)

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## The Benefits of Columbus Compensation Association Membership

The benefits of CCA Membership:

- Discounted WorldatWork Certification Courses
- Discounted Meeting & Seminar Fees
- Membership Directory
- Discounted Meeting & Seminar Fees at WorldatWork Local Network Groups in our region
- Excellent Networking Opportunities
- Member Newsletters
- Enhancement of Professional Knowledge & Skills
- Complimentary Job Postings on CCA Website
- Individual Membership that Transfers with the Member

2007 Membership Dues & Meeting Fees

Option 1: Pay for dues and meeting fees separately: \$50 for membership dues, \$30 per meeting

Option 2: Pre-pay an all-inclusive package to include membership dues and all regular CCA meetings for a total cost of \$170. (Note: This does not include fees for any seminars or workshops that might be scheduled in 2007.)

## *Columbus Compensation Association 2007 Board Members*

<p><b>PRESIDENT</b>  <b>Mary Ellis</b>          Population Health Manager          Ohio Department of Administration Services          30 E Broad St, 28<sup>th</sup> Floor          Columbus, OH 43215          614-644-1802          mary.ellis@das.state.oh.us</p>	<p><b>VICE PRESIDENT PROGRAMMING</b>  <b>David Giesman</b>          Director of People Services          Donatos Pizza          935 Taylor Station Rd          Columbus, OH 43230          614-416-7829          dgiesman@Donatos.com</p>
<p><b>VICE PRESIDENT MEMBERSHIP</b>  <b>Sarah K. Skala</b>          Sr. HR Technology Analyst          Limited Technology Services          Limited Brands          4 Limited Pkwy          Reynoldsburg, OH 43068          614-577-2678          sskala@limitedbrands.com</p>	<p><b>SECRETARY</b>  <b>Michael Kalan</b>          Compensation Consultant          Ohio State University Medical Center          Dept: Human Resources Shared Services          660 Ackerman Rd PO BOX 183100          Columbus, OH 43218-3100          614-293-7996          Michael.kalan@osumc.edu</p>
<p><b>TREASURER</b>  <b>Rupal Brich</b>          Compensation Consultant          Sterling Commerce, Inc.          4600 Lakehurst Ct          Dublin, OH 43016          614-791-5715          Rupal_brich@stercomm.com</p>	<p><b>COMMUNICATIONS</b>  <b>Teri Martise</b>          Compensation Analyst          Limited Brands          3 Limited Pkwy          Columbus, OH 43230          614-415-8167          tmartise@limitedbrands.com</p>
<p><b>PROFESSIONAL DEVELOPMENT</b>  <b>Amanda Linard</b>          Compensation Director          Cardinal Health          7000 Cardinal Place          Dublin, OH 43017          614-757-7735          Amanda.linard@cardinal.com</p>	<p><b>TECHNOLOGY</b>  <b>Sally Warshaw</b>          Compensation Manager          The Scotts Company          14111 Scottslawn Rd          Marysville, OH 43041          937-644-7186          Sally.warshaw@scotts.com</p>
<p><b>FACILITIES</b>  <b>Julie Hurley</b>          Sr. Compensation Consultant          Cardinal Health          7000 Cardinal Pl          Dublin, OH 43017          614-757-4487          Julie.hurley@cardinal.com</p>	

### *About Columbus Compensation Association*

A major purpose of the Columbus Compensation Association (CCA) is to enhance and promote the total compensation profession through the participation of members in seminars for their career growth and personal benefit. To serve this purpose, CCA is pleased to sponsor WordatWork seminars.

Is there anything you would like to see in upcoming issues of our newsletter? Please send feedback to [info@columbuscomp.org](mailto:info@columbuscomp.org).