

ALCAL INDUSTRIES

USES ULTI PRO COMPENSATION MANAGEMENT TO ADDRESS GAPS IN GENDER PAY DURING ANNUAL SALARY PLANNING



INDUSTRY
Wholesale Trade



NUMBER OF EMPLOYEES
280



- KEY BENEFITS
- Ensures that managers understand company's compensation plan and have clarity around the factors that drive it
 - Expedites compensation management process, while elevating HR's conversations with managers about making decisions that are fair and consistent
 - Provides clear visibility into whether employees are falling outside of recommended ranges with the Pay Equity report

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Courtney Paulsen
HR Analyst
ALCAL

OVERVIEW

ALCAL Industries is Central and Northern California's largest independent electrical distributor. It is the parent company of Alameda Electrical Distributors and California Service Tool. The two subsidiaries have 12 branches, and provide one of California's most respected offerings of electrical products, tools, tool rental and repair services, safety equipment, and project management.

CHALLENGE

Prior to UltiPro, the company developed a compensation plan with bands and ranges for managers to apply to their employees, tied to specific employee ratings. However, because managers completed this salary-planning process manually on spreadsheets, they had difficulty comparing how their employees were ranked within the company's compensation system. In addition, HR was required to invest a substantial amount of time reviewing the data manually once it received the spreadsheets back from managers.

SOLUTION

ALCAL sought to provide managers with the necessary visibility and insight to make the best pay decisions, and selected UltiPro, going live in April 2018.

“UltiPro Compensation Management ensures that our managers understand our compensation

plan and have clarity around the factors that drive it," said Courtney Paulsen, HR analyst at ALCAL. "As managers input their changes into UltiPro, they can see compa-ratios in real time and have instant visibility into all their employees. UltiPro's flexibility and analysis tools enable managers to identify pay disparities, even when men and women are in different roles with different pay ranges. Managers are able to make corrections when women's compa-ratios are falling at the low end, with recognition made easier because the performance ratings are also visible. As a result, managers can make better decisions, without relying on HR, and before HR runs its official analysis."

Paulsen notes that UltiPro makes the review and approval paths simple to set up, and the next level of management is also able to gain broad insights and easily compare manager worksheets.

"UltiPro Compensation Management expedited our compensation management process, while at the same time elevating our conversation with managers about making decisions that are fair and consistent," said Paulsen. "HR is no longer viewed as an enforcer of compliance and laws, but rather as a trusted advisor regarding meaningful compensation decisions. UltiPro has made managers more sensitive to, and responsible for, a fair and equitable culture."

RESULTS

According to Paulsen, UltiPro's Pay Equity report provides HR with the transparency to be more proactive with its annual compensation process, and to ensure that any disparities that exist after the process are non-discriminatory.

"The Pay Equity report is highly visual, easy to use, and simple to run because it is integrated into UltiPro Compensation Management," said Paulsen. "We can see easily if employees are falling outside of recommended ranges without having to move over to UltiPro Business Intelligence. Thanks to the ease of exporting

data out of UltiPro, I am also able to run my own manual descriptive analysis, linear-trend analysis, forecast analysis, and correlation matrix. Although I ran my own review outside of UltiPro, it returned the exact same results as Pay Equity."