



Manage compensation levels, increase employee retention and gain competitive advantage



| HR Performance.



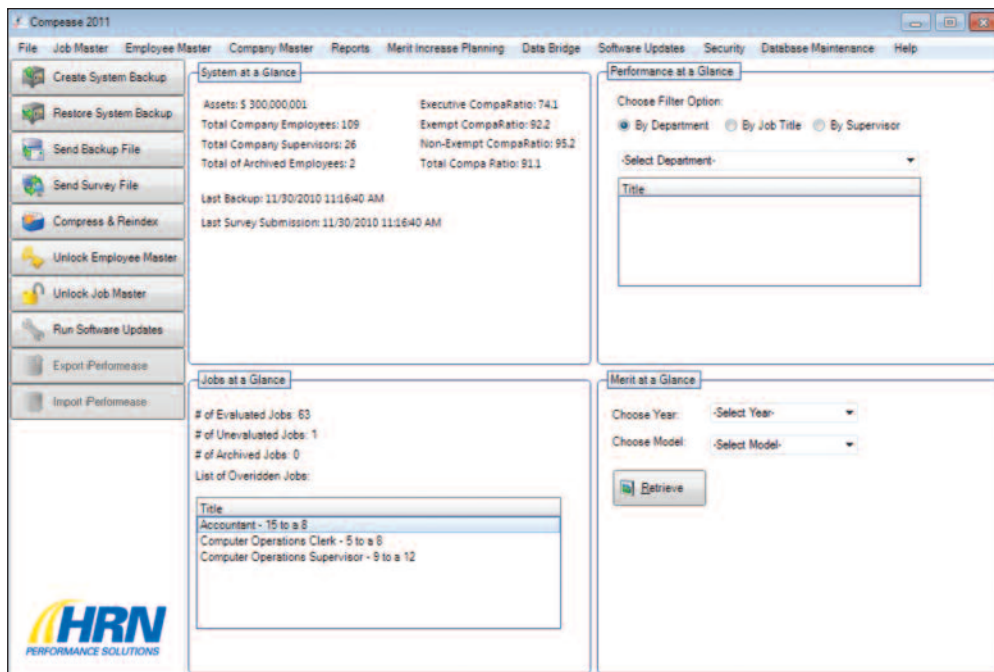
Compease.

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What is Compease?

Compease is a comprehensive, automated salary administration program that provides the tools, information and consulting expertise your organization needs to manage employee compensation with ease, accountability and confidence. It ensures your compensation program is competitive in your market, equitable within your organization, and flexible enough to recognize individual differences in performance.

Developed in 1996 Compease can help your organization build and maintain competitive pay rates, drive employee performance and manage merit increases and compensation budgets. HRN Performance Solutions compensation professionals gather salary information from a wide variety of leading compensation survey and data providers and build a custom system for each client that factors individual position responsibilities, location, size and industry.



The Compease dashboard provides at-a-glance status overviews and report query input fields from the four primary system areas: System, Jobs, Performance and Merit.

Benefits.

With Compease you will have the confidence of knowing your compensation program reflects accurate and current market conditions. Once incorporated into your human resources strategy, you'll soon notice its benefits. It offers:

- Compensation equity across the organization
- Accurate and reliable salary and compensation planning tools based on current market data ensure you are not overpaying or underpaying your employees
- Increased staff retention and productivity
- Reduced HR administrative expense
- Increased ROI savings

Features.

Compease was designed with one main goal in mind – to attract and retain the best employees. This enables your organization to be better positioned to succeed. Compease helps you accomplish this with its:

- **Job Evaluation System** – Ensure fairness by establishing the relative value of all jobs within your organization. Each job is evaluated based on eight to ten factors and then assigned a grade.
- **Salary Grade and Ranges** – Verify that your compensation program remains competitive with salary data gathered from multiple reliable sources. Industry-specific data is used to create salary ranges matched to your size and geographic location.

- **Merit Increase Planning** – Get assistance with planning and controlling compensation budgets and increases. Plans are created based on your budget constraints, employee performance and compa-ratio (salary-in-range).
- **Compensation Management** – Reporting capabilities are extensive and include compa-ratio reports and current/projected salaries for individuals. Utilizing an objective salary system instills employee trust and satisfaction, as well as reduces pay-related conflicts.
- **Salary Updates** – Salary ranges stay current and competitive with annual updates.
- **Job Descriptions** – Pro forma job descriptions are included covering numerous positions that can easily be customized to individual needs.

The screenshot displays the 'Employee Maintenance' software interface. At the top, there is a search bar and a 'Search Again' button. Below this is a table listing employees with columns for Name, Empl. No., Title, Department, and Supervisor. The first row is highlighted, showing Madeline Adams (Empl. No. 1056, Title: Fraud Specialist, Department: Lending & Collections, Supervisor: Norma Arnold). Below the table is the 'Employee Information' form for Madeline Adams. The form includes fields for Employee No. (1056), First Name (Madeline), M.I. (Adams), Last Name (Adams), Birth Date (08/01/1983), Gender (Female), Race/Ethnicity (White), E-Mail Address (madeline.adams@frstps.org), Job Title (Fraud Specialist), Department (Lending & Collections), Supervisor's Name (Norma Arnold), Branch (Main Street Branch), Location (Wichita, KS), Pay Basis (Hourly), Pay Status (Full Time), Frequency (BiWeekly), Weekly Hours (40), Rate (\$15.45), Incentive Pay (\$100.00), Hire Date (05/08/1996), In Position (05/08/1996), Last Increase (05/08/2009), Performance (Exceeded), Rank, and Sort Field. At the bottom, there is a section for 'For Information Purposes Only' showing Grade: 7, Salary Range: Min \$13.39, Mid \$16.73, Max \$20.08, and CompaRatio 92.3. The interface also includes buttons for Add, Register, Archive, Save, Cancel, and Return.

The employee information screen displays summary data for each employee including contact, position, performance, salary, pay grade, merit increase history, and organizational reporting structure.

At a Glance.

Salary Ranges

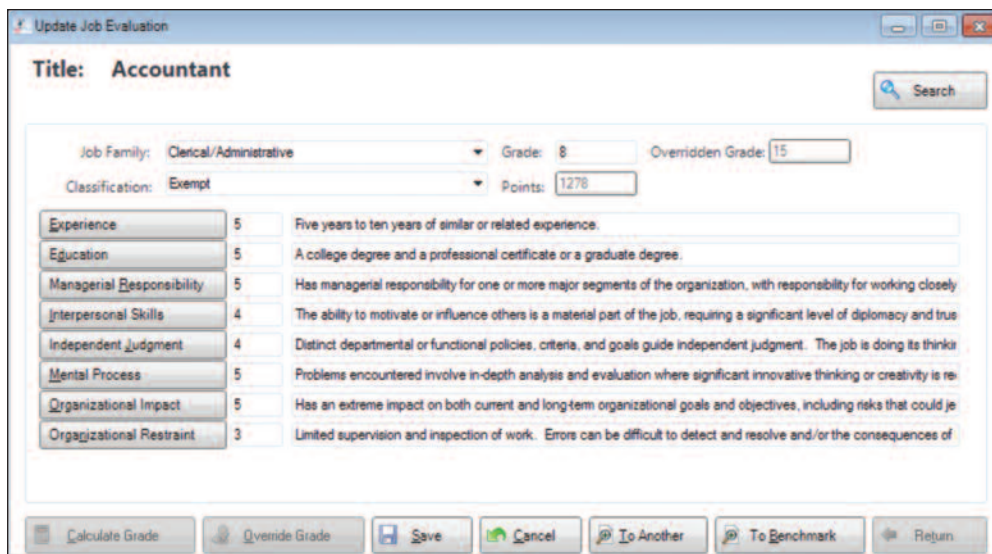
Competitive salary ranges are established through job evaluation and sound market data.

Job Evaluation

The job evaluation system determines the relative value of specific jobs so you can establish internal equity between those jobs. Compease does this process automatically for you, simplifying the process.

Ranges

Salary ranges are based on extensive salary data collected for each position and adjusted to reflect the location, industry and the size of your organization.



The screenshot shows a software window titled "Update Job Evaluation" for the job title "Accountant". The interface includes a search bar, dropdown menus for "Job Family" (Clerical/Administrative) and "Classification" (Exempt), and input fields for "Grade" (8), "Overridden Grade" (15), and "Points" (1278). A table lists evaluation criteria with scores and descriptions:

Criteria	Score	Description
Experience	5	Five years to ten years of similar or related experience.
Education	5	A college degree and a professional certificate or a graduate degree.
Managerial Responsibility	5	Has managerial responsibility for one or more major segments of the organization, with responsibility for working closely
Interpersonal Skills	4	The ability to motivate or influence others is a material part of the job, requiring a significant level of diplomacy and trust
Independent Judgment	4	Distinct departmental or functional policies, criteria, and goals guide independent judgment. The job is doing its thinking
Mental Process	5	Problems encountered involve in-depth analysis and evaluation where significant innovative thinking or creativity is required
Organizational Impact	5	Has an extreme impact on both current and long-term organizational goals and objectives, including risks that could jeopardize
Organizational Restraint	3	Limited supervision and inspection of work. Errors can be difficult to detect and resolve and/or the consequences of

At the bottom of the window are buttons for "Calculate Grade", "Override Grade", "Save", "Cancel", "To Another", "To Benchmark", and "Return".

The Compease Job Evaluation System provides a logical way to establish the relative value of a job within your business and support its assignment to a pay or salary grade. By determining the level of knowledge and skill, problem solving, and accountability associated with a job, you can establish internal equity between jobs. Because the Compease job evaluation process is automated, it is easy to compare jobs. This comparison validates your evaluations and provides confidence that your compensation system is internally equitable and externally competitive with the market.

Compa-Ratios

Compa-ratios (position-in-range) depict how an employee or department is paid relative to the market for comparable jobs. The results, expressed as a percentage of the market rate, give management the information they need to make informed decisions when it comes to pay increases or merit increase plans. A compa-ratio of 100% means the person is being paid a rate that is equitable to the market. Compa-ratios can also help you track the progress of your compensation goals, identify potential problems and devise plans to resolve any issues.

Examples

A compa-ratio of...

- Compa-ratios between 80% - 90% are considered entry level rates
- Compa-ratios between 90% - 97% would be considered appropriate for employees who are not yet fully trained
- Compa-ratios between 97% - 103% would be considered appropriate for employees who are fully qualified and consistently perform at an acceptable level
- Compa-ratios above 103% would be appropriate for employees who are fully qualified and consistently perform above acceptable levels
- As a general rule, most employees should fall within the 97% - 103% level within 2 to 5 years of experience

Global Inc. CompaRatio Report for All Employees											
Prepared on:	3/24/2011	Revenue \$	10,000,001	Thru \$	25,000,000	----- Salary Range -----		Page:	1		
Data Year:	2011				Min	Mid	Max	- Current Salary -	Compa		
Department	Employee Name	Title	Date In	Grade	Position	Min	Mid	Hourly	Annual	Ratio	
Executive - Salary - Full Time											
Executive	Grant, George	Chief Executive Officer	24	06/15/1980		\$188,385.00	\$251,180.00	\$113,975.00	\$217,000.00	86.4%	
	Dwyer, Barb A	Chief Financial Officer	20	12/02/1999		\$116,740.00	\$155,654.00	\$194,567.00	\$148,921.00	95.7%	
	Wray, Michael B	Chief Information Officer	18	05/19/2006		\$92,772.00	\$123,696.00	\$154,620.00	\$132,700.00	107.3%	
Total CompaRatio for: Executive - Salary - Full Time									\$498,621.00	94.0%	
Exempt - Salary - Full Time											
Production	Rowe, Robert	Production Managr	15	09/18/2009		\$69,130.00	\$86,413.00	\$103,695.00	\$72,419.00	83.8%	
	Gonzales, Roman	Warehouse Manager	12	08/10/2000		\$49,680.00	\$62,101.00	\$74,521.00	\$65,000.00	104.7%	
Total CompaRatio for: Exempt - Salary - Full Time									\$137,419.00	92.5%	
NonExempt - Hourly - Full Time											
Finance	Reynolds, Faye	Accounting Spec Intermedia	6	01/01/2010		\$12.68	\$15.85	\$19.02	\$13.00	\$27,040.00	82.0%
Production	Swearingen, Ronald	Forklift Operator	5	01/19/2004		\$11.50	\$14.38	\$17.26	\$13.92	\$28,953.60	96.8%

The compa-ratio is a mathematical calculation that identifies the relationship between actual pay and market rate for a person, department or the total organization. For example, a 90% compa-ratio for an individual says that the individual is being paid at 90% of the prevailing market rate for his/her job. The compa-ratio is determined by dividing actual pay by the rate established as the mid-point for the grade. Compease generates complete compa-ratio reports that are sorted and printed by job title, department or the entire company.

Annual Merit Increase Planning

Compease enables the development of fair and objective merit increase plans based on your allocated merit increase budget, employee performance and individual compa-ratios. The program's automated features help you develop a plan in minutes, change the overall merit pool with only a few simple keystrokes and test a variety of budget scenarios.

With Compease, you can establish up to nine different kinds of merit increase plans, giving you the capability to create plans by location, department, job title and more. This means no longer spending hours working with spreadsheets, calculators or paper projections, saving you time and money.

HRN Performance Solutions provides each Compease client with annually updated salary data specific to their industry that includes salary range updates and information to determine merit increase budgets for the year. Everything you need to establish and maintain a solid annual merit increase plan.

Performance Level	Position In Range				
	1	2	3 Market	4	5
	0.00% to 91.00	91.01% to 97.00	97.01% to 103.00	103.01% to 109.00	109.01% to 999.99
Far Exceeded	7.90%	6.40%	4.90%	3.40%	1.90%
Exceeded	6.90%	5.40%	3.90%	2.40%	0.90%
Met	5.90%	4.40%	2.90%	1.40%	0.00%
Met Minimum	4.90%	3.40%	1.90%	0.40%	0.00%
Unacceptable	0.00%	0.00%	0.00%	0.00%	0.00%

The Compease Merit Matrix is a powerful and time-saving tool that provides structured flexibility to develop merit increase plans around your own compensation policies and budget. Then, based upon an employee's performance level and current salary within their pay grade range, an equitable and consistent merit increase percentage is assigned.

Calculate Merit Increase		
Employee Number:	1051	<input type="button" value="Search"/>
Name / Select Name:	Billings, Jeff	
Title:	Commercial Loan Officer	
Department:	Lending & Collections	
Pay Basis:	Salary	
Current Pay Amount:	\$60,210.00	
Pay Frequency:	BiWeekly	
Status:	Full Time	
Weekly Hours:	40	
Grade:	B	Rank:
Current Salary - Hourly:	\$17.85	
Current Salary - Annual:	\$37,128.00	
Current CompaRatio:	94.8%	
Position In Range:	2	
Performance Level:	Far Exceeded	
Merit Increase %:	6.40%	
Months Since Last Increase:	12	
Adj. Merit Increase:	Percent: Hourly \$: Salary \$:	
<input type="button" value="Reset Adj. Merit Increase % and/or \$ to NONE"/>		
Performance Level:	Far Exceeded	
Employment Date:	7/12/1993	Last Increase Date: 7/12/2009
		Next Increase Date: 2/1/2011
<input type="button" value="Recalc Merit Increase"/> <input type="button" value="Save Merit Increase"/> <input type="button" value="Cancel"/> <input type="button" value="Return"/>		
Adj. Merit Increase %:	N/A	
Base Salary Increase %:	6.40%	
Base Salary Increase \$:	\$1.14	\$2,376.19
Lump Sum %:	0.00%	
Lump Sum Amount:	\$0.00	
Project Salary - Hourly:	\$18.99	
Projected Salary - Annual:	\$39,499.20	
Projected CompaRatio:	100.9%	
Projected Payroll Expense:	\$39,301.60	

Salary Budgeting and Planning

When you combine compa-ratios with the merit increase plan, you're able to prepare a comprehensive salary budget report. With Compease, it doesn't get any easier than that!

Global Inc.
Annual Compensation Plan by Employee

Prepared on: 12/2/2010 For Fiscal Year Ending 12/31/2011 Version 1 Title Annual Increases Page: 1

Sort Field	Last Increase Date	Next Increase Date	Grade	Current Hourly Rate	Current Annual Salary	Current Compa Ratio	P R	P L	Rank	Merit %	Mo. Since Last Inc.	Adj. %	O v	Merit Increase Base Salary Percent	Amount
AdMa1	05/08/2009	02/01/2011	7	15.45	\$32,136.00	92.3%	2	4	0	5.40%	21	6.47% *		6.47%	\$2,079.20
AdMa2	05/08/2009	02/01/2011	7	15.45	\$32,136.00	92.3%	2	4	0	5.40%	21	6.47% *		6.47%	\$2,079.20
AnCr1	10/21/2009	02/01/2011	10		\$42,241.00	84.7%	1	5	0	7.90%	16	0.00%		7.90%	\$3,337.04
AnCr2	10/21/2009	02/01/2011	10		\$42,241.00	84.7%	1	5	0	7.90%	16	0.00%		7.90%	\$3,337.04
ArJo1	01/25/2009	02/01/2011	5	12.66	\$26,332.80	95.2%	2	5	0	6.40%	25	0.00%		6.40%	\$1,685.30
ArJo2	01/25/2009	02/01/2011	5	12.66	\$26,332.80	95.2%	2	5	0	6.40%	25	0.00%		6.40%	\$1,685.30
ArKe1	10/31/2009	02/01/2011	11		\$49,556.00	86.7%	1	4	0	6.90%	16	0.00%		6.90%	\$3,419.36
ArKe2	10/31/2009	02/01/2011	11		\$49,556.00	86.7%	1	4	0	6.90%	16	0.00%		6.90%	\$3,419.36
ArNo1	10/21/2009	02/01/2011	10		\$50,222.00	100.7%	3	4	0	3.90%	16	0.00%		3.90%	\$1,958.66
ArNo2	10/21/2009	02/01/2011	10		\$50,222.00	100.7%	3	4	0	3.90%	16	0.00%		3.90%	\$1,958.66
ArWa1	05/15/2009	02/01/2011	9		\$42,925.00	97.2%	3	4	0	3.90%	21	0.00%		3.90%	\$1,674.08
ArWa2	05/15/2009	02/01/2011	9		\$42,925.00	97.2%	3	4	0	3.90%	21	0.00%		3.90%	\$1,674.08
BaCh1	02/15/2010	02/01/2011	8	17.85	\$37,128.00	94.8%	2	5	0	6.40%	12	0.00%		6.40%	\$2,376.19
BaCh2	02/15/2010	02/01/2011	8	17.85	\$37,128.00	94.8%	2	5	0	6.40%	12	0.00%		6.40%	\$2,376.19

Merit Increase Totals

Current Annual Salary
Amount: \$3,972,350.40
CompaRatio: 91.1%

Merit Increase
Base Salary Amount: \$219,490.57
Base Salary Percent: 5.53%
Lump Sum Amount: \$0.00
Lump Sum Percent: 0.00%

Projected Annual Salary
Amount: \$4,191,840.97
CompaRatio: 96.1%

Projected Payroll Expense
Amount: \$4,173,550.15

Compease is designed to assist you in preparing your overall salary budget. The merit increase matrix that you develop, together with information about each employee's compa-ratio and performance rating, combine to create a comprehensive budget report. Annual Compensation Plan reports are available by department, branch, company, and employee.

Support.

Each Compease client is guaranteed ongoing phone support at no additional cost for as long as they maintain a Compease license. HRN Performance Solutions' compensation professionals can assist with any compensation program and data analysis questions, whether they are about the application, a position, a salary range or the annual merit increase plan.

About Us

HRN was founded in 1989 to develop practical and effective HR performance management, compensation administration and compliance solutions that are time-tested, content rich and on the cutting edge of technology.

Our solutions are designed by human resource professionals with decades of experience to be secure, effective, flexible and easy to use. HRN Performance Solutions is committed to continually improving and enhancing Compease with annual upgrades in order to help our clients expand the effectiveness and success of their workforce.

Every Compease purchase includes onsite implementation and training by an HRN compensation consultant. Visit hrnonline.com to sign up for a FREE no obligation Compease webinar.

For more information:

- Visit www.hrnonline.com to register for a live online demo
- Call toll-free 800.940.7522
- E-mail: sales@hrnonline.com