



## Are you paying enough to attract the best people?

We all know that getting remuneration right is a critical factor in securing great finance people.

Or do we?

If you want to attract the best people to your finance team and retain the ones you have, it is important to fight for the appropriate remuneration budget. Remuneration is a sensitive area and one that is often influenced by historical and emotive factors including:

- > what you paid the previous person
- > a salary grid set annually by Human Resources or an overseas head office
- > a salary survey
- > a review of ads
- > what the candidate is earning now
- > what the person above and below are paid
- > what you were paid when you were in that position
- > what your boss thinks that position is worth.

### Supply and demand

With the candidate shortage in finance now at its most significant level in decades, market salaries are shifting at a surprising rate. That's why historical information is somewhat irrelevant.

The relatively small number of good people are in very high demand and can therefore achieve a salary premium. For those who remember their economics, it is simple supply and demand.

This doesn't mean you have to be willing to pay anything to secure the right candidate. Generally speaking, there will be a pretty clear upper and lower level for each position in the market. However, you may choose to go above market because the value they can add to your organisation justifies the premium or because other aspects of the role are not naturally attractive (e.g. location, type of industry, nature of the role).

### Adjusting your expectations

If you cannot negotiate a higher salary budget, then it is important to reduce your expectations to meet the market. You may want to reduce the level of experience and provide more training and supervision. Perhaps focus less on qualifications and more on experience. Or build in other benefits like discounts, travel, car, bonuses and so forth that may allow you to offer a lower salary – but make sure the benefits are truly valuable to your target market. While money is not everything for candidates, if you get the money and expectations right from the start, you have a greater chance of attracting the best people and avoid wasting time and money on a protracted recruitment process.

Candidates have access to masses of market information through the internet and job boards, so they know what they are worth.