



**borzala**  
management

# DESIGNING EQUITABLE PAY PRACTICES

# Boreala Management

We listen. **We commit.** We empower.

For organizations deeply rooted in their communities, Boreala Management is your partner. We support the development of stronger organizations by building capacity, enhancing collaboration and maximizing potential for sustainable positive impact.

We offer a suite of Strategy, Human Resources and Organizational Effectiveness services that are designed to enhance performance and improve efficiency. Our solutions are scalable to your exact needs, be it a large organization looking for additional resources to compliment a team, or a small organization looking to outsource all or parts of your HR function.

We have a team of over 30 multidisciplinary full-time experts, as well as subject matter expert partners that are ready to work as an extension of your team, dedicated to delivering results and creating sustainable change for lasting business impact.



## Consulting

Our team are dedicated to supporting our clients to increase effectiveness at all levels. With consulting options in **Strategy, Governance, Talent Management** and **Process Improvement** to name a few, we are your partner to build a stronger organization.



## BorealaRISE Training

Enhance capacity for authentic growth through our employee development programs. From individual contributors to people leaders, we offer the following portfolios, **People & Strategic Leadership, Communication, Organization & Employee Effectiveness and Project Management**



## Expert Facilitation & Mediation

Benefit from having one of our expert facilitators guide you through your next **meeting, team building session** or **leadership retreat**. In addition to our trained facilitators, we have certified mediators who can be counted on to resolve **workplace conflict**, mediate **team dynamics** or resolve **governance issues**.

# Why Do Equitable Pay Practices Matter?

## Strengthens attraction and retention



Organizations that demonstrate a commitment to fair and equitable compensation are better positioned to **attract and retain** qualified talent. Employees are more likely to stay where they believe they are treated fairly and where compensation practices align with the organization's values.

## Supports engagement and inclusion



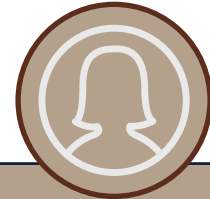
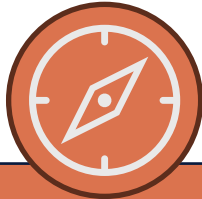
When employees know that work of equal value is recognized and compensated fairly, they are more likely to feel valued and included. Equitable pay practices contribute to a workplace where everyone has the **opportunity** to succeed.

## Increasing employee loyalty



The average cost of replacing an employee is between 1-2 times the employee's salary and often leads to a drop in morale, and **loss of organizational knowledge**. Holistic rewards (like meaningful work, career growth, learning opportunities) are more difficult for competitors to replicate.

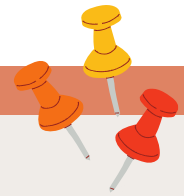
# 3 types of Equity



External Equity	Internal Equity	Individual Equity
<p>Aligning compensation with the external market by benchmarking pay against what other organizations offer for comparable roles, ensuring competitiveness and attractiveness.</p>	<p>Ensuring fairness in pay within the organization by comparing roles based on their relative value, responsibilities, and required competencies, and maintaining consistent pay for equivalent roles</p>	<p>Differentiating pay fairly among employees in similar roles based on factors such as performance, skills, competencies, and experience.</p>
<p><i>Can we attract and retain talent?</i></p>	<p><i>Are similar roles valued consistently?</i></p>	<p><i>Are pay differences based on objective factors?</i></p>
<p>Tool and best practices: Benchmarking Exercise</p>	<p>Tool and best practices: Job evaluation</p>	<p>Tool and best practices: Salary structure</p>



# EXTERNAL EQUITY



## Guiding Tool – Benchmark Exercise

### Purpose

Ensure compensation is competitive with similar organizations.

### How to develop it

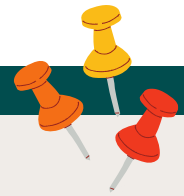
<p><b>Step 1</b> <b>Define the market</b></p>	<p>Identify comparable organizations (industry, size, geography, mandate).</p> <p><i>In an Indigenous context, consider community organizations, not-for-profits, public sector, and regional realities.</i></p>
<p><b>Step 2</b> <b>Match jobs</b></p>	<p>Compare positions based on responsibilities and scope—not just job titles.</p> <p><i>Select benchmark positions that are common or for which you have the most difficulty attracting and retaining</i></p>
<p><b>Step 3</b> <b>Collect market data</b></p>	<p>Purchase salary surveys, published compensation reports, customized survey</p>
<p><b>Step 4</b> <b>Analyze the data</b></p>	<p>Calculate market averages or market medians.</p>
<p><b>Step 5</b> <b>Establish a compensation philosophy</b></p>	<ul style="list-style-type: none"> <li>• At market median,</li> <li>• Leading the market</li> <li>• Lag the market while offering stronger benefits</li> </ul>

### Outcome

A clear understanding of where your organization sits relative to the labour market.



# INTERNAL EQUITY



## Guiding Tool – Job Evaluation

### Purpose

Ensure jobs of equal value receive equitable compensation.

### How to develop it

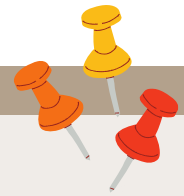
<p><b>Step 1</b> <b>Gather job information</b></p>	<p>Current job descriptions Organizational charts</p> <p><i>Complement with interviews with managers/employees if needed</i></p>
<p><b>Step 2</b> <b>Select evaluation factors</b></p>	<p>The point factor method is the most common methodology to evaluate positions. It usually evaluates factors such as Qualifications (Education and Experience), Responsibilities and Effort (Mental and Physical)</p> <p><i>In an Indigenous context, you can include subfactors such as First Nation Knowledge.</i></p>
<p><b>Step 3</b> <b>Assign weights</b></p>	<p>Determine the relative importance of each factor based on what the organization values most</p>
<p><b>Step 4</b> <b>Evaluate each position</b></p>	<p>Evaluate the job against each subfactor using the level definitions established in step 2</p>
<p><b>Step 5</b> <b>Validate results</b></p>	<p>Review rankings with leadership and HR to ensure consistency.</p>

### Outcome

An objective hierarchy of jobs based on their relative value to the organization.



# INDIVIDUAL EQUITY



## Guiding Tool – Salary Structure

### Purpose

Apply compensation decisions consistently across employees.

### How to develop it

<p><b>Step 1</b> <b>Define type of salary structure</b></p>	<p><u>Performance-based</u>: Compensation progression is driven by an employee's individual performance and contribution <u>Step-based</u>: Compensation progression is primarily driven by predefined salary steps linked to seniority and experience</p>
<p><b>Step 2</b> <b>Group jobs into salary grades</b></p>	<p>Jobs with similar point values from the job evaluation are grouped together.</p>
<p><b>Step 3</b> <b>Assign salary ranges</b></p>	<p>Use market data to establish the minimum, midpoint and maximum values for each salary range</p>
<p><b>Step 4</b> <b>Implement</b></p>	<p>Position employees within the appropriate salary grade (based on their position) according to factors such as experience, qualifications and performance</p>
<p><b>Step 5</b> <b>Compensation Policy</b></p>	<p>Establishes the principles, rules, and governance framework used to make consistent pay decisions across the organization. It usually defines how salaries are determined, administered, and adjusted to support fairness, competitiveness, internal equity, and organizational objectives.</p>

### Outcome

Consistent and transparent pay decisions that recognize individual differences while maintaining fairness.



Have any questions?

**Contact Us**



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