



STAGE 3 |
SMART HIRING & ONBOARDING



Compensation, Benefits and Relocation Assessment

Jane Smith

CONFIDENTIAL SAMPLE

**Candidate for
Chief Information Technology Officer**

** To protect the confidentiality of both
the client and candidate - all data is for
sample purposes only **

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Congratulations on your successful search! It has been a real pleasure partnering with you.

One of the key services we provide our clients at this stage of our SMART Search System is a thorough compensation analysis and, where possible or logical, an offer recommendation.

Throughout the search process, Ropella has had extensive conversations regarding all factors of Jane's compensation and it is now appropriate for us to share the complete details of these discussions with you. We provide this analysis with the belief that the information below should be quite helpful as your company prepares a formal offer for Jane.

But first a disclaimer: This is not a mandate, but rather a position paper intended to start a dialogue about the offer and acceptance strategy. We understand that compensation discussions like these can sometimes get emotional and/or stressful for both sides (our client and the candidate - as well as their families, friends, and influencers). Please be aware that as your trusted partner, our loyalties are always 100% with you, our client.



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Candidate Overview

What's in it for Your Company:

- Jane is passionate about making a positive impact and driving a culture of innovation. She would bring this same passion to your company in her new role as she has successfully done in the past.
- Jane provides the combination of remote lab leadership and technical expertise that is crucial to this position and the future growth of this role.
- Of nearly 200 prospects contacted, and several interviews, Jane has stood out as the top candidate to match the qualifications your company is looking for at a very high level.

What's in it for Jane:

- Jane was very impressed by the labs and technology that your company offers.
- Jane loved the energy, passion and the breadth of talent she will be working with at your company.
- She is also excited about her long-term career growth within your company and is eager to work closely with Wendy
- She is excited about the culture of collaboration and team success that she would be a major part of and feels she would fit into seamlessly.

Offer Acceptance Strategy	Salary Scenarios	Offer Recommendation Details
A. Salary that Ropella can accept on Jane's behalf	\$205,000	Your Company offers a base of \$205,000 as well as a \$60,000 sign-on bonus. We are highly confident that a package at this level would be accepted by Jane and we can go ahead and set a start date.
B. Salary that could still be considered viable	\$195,000	Your company offers a salary of \$195,000 as well as a \$60,000 sign-on bonus. A package at this level could still be attractive to Jane, but it's more of a roll of the dice and she will want time to compare it to her current package and any counter offers.
C. Salary that Jane will likely walk away from	\$185,000	Your company offers an absolute minimum salary of \$185,000 as well as a \$60,000 sign-on bonus. A package at this level will likely fail and result in Jane staying with her current employer, or continuing to look at other opportunities.

Note: These recommendations are based on detailed conversations we've just had with Jane, in which we tested a variety of hypothetical offer scenarios based on comparing all compensation details. Therefore, our advice would be to come in with an offer at Option A, or Option B at a minimum. Ultimately, we will follow any final decisions you make and you can count on us to actively support you as we move forward together with the delivery and acceptance of your offer.

Offer Delivery Best Practices

Open Communication: Please set aside some time to get on the phone with us ASAP. Let's strategize together on next steps and confirm how we're going to present the offer in order to obtain a prompt acceptance.

Creative Solutions: If needed, consider creativity in the form of offer incentives. If scenario A is not possible, what can we do to build a bridge? For example, an increased sign-on bonus, an increased car allowance or upgraded car, a salary increase during a 6-month review, a guaranteed year one bonus, etc.

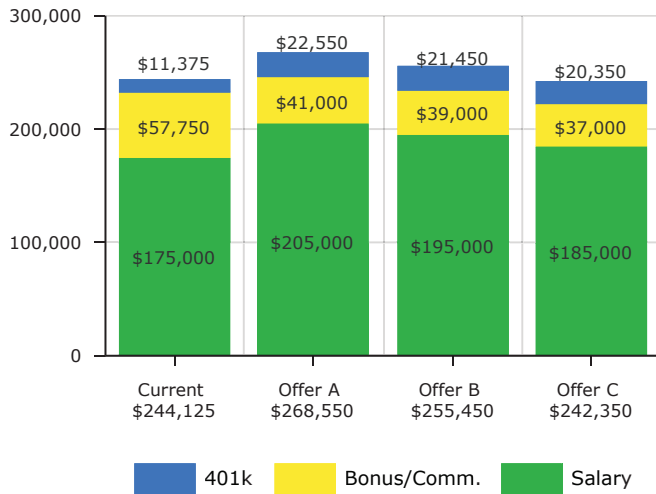
Sense of Urgency: Let's move fast. In today's competitive talent market, delays create a greater risk of candidates receiving competing offers, a counter-offer from their current employer, and/or second thoughts (often caused by the candidate's influencers).

Written Offer: We need to make sure we get a written offer extended to the candidate as fast as possible. Be sure to include all relevant benefit details/costs and relocation package information with the offer.

Warm Welcome: Upon offer acceptance, it's important to promptly have a top executive and/or the hiring manager reach out to say congratulations and to welcome Jane aboard.

Key Visual Comparisons

Salary, Bonus/Comm., 401k



Insurance Cost



Note: Insurance costs include candidate's annual premium expenses for medical, dental, and vision when available.

Relocation Coverage

Candidate Relocation Expectations:

- Packing of household goods
- Cost of moving household goods
- Lump sum for incidentals
- Temporary living expenses
- House hunting trips
- Closing cost on home purchase
- Closing cost on home sale

Cost of Living

BestPlaces.net

Florence, Kentucky is 0.3% cheaper than Brunswick, Ohio

The salary presented in the offer column represents what Jane's current salary would need to equal in Florence, KY to maintain their current standard of living.

Cost of Living	Brunswick, OH	Florence, KY
Overall	90.4	90.1
Food & Groceries	99.1	98.7
Housing	79.7	71.4
Median Home Cost	\$184,300	\$165,000
Utilities	92.1	93.5
Transportation	91.6	94.2
Health	83.7	102.1

Important Topics To Be Aware Of

- Jane is expecting her annual raise of 4.5%. Her salary increase to \$182,875 will need to be considered when extending an offer.
- Should she leave current employer prior to the end of February, she will be forfeiting her earned bonus of \$57,750. We will need to strongly consider a sign-on bonus to offset this loss, if we plan to have Jane join your company before March.
- Jane's vacation time increases to 4 weeks. We should strongly consider offering 4 weeks' vacation to match.

Onboarding & Start Date

Jane would need a minimum of 4 weeks before she could begin with your company in order to wrap up existing projects. She is also expecting a large bonus. If we are unable to provide a sufficient sign-on bonus, the start date will need to be pushed.

It's important that we work together to remove all contingencies upon offer acceptance. We should be prepared to complete background checks, education verification, drug screens, physicals etc. in as timely a manner as possible.



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Compensation Comparison Calculator

Hiring Company: Batory Foods

Candidate Name: Jane Smith

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What's in it for Jane?

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Title	Current	Offer	Option	Details
Position Title	IT Director	Chief Information Technology Officer		Your company is offering a position title that is a step up for Jane

Notes:

Base Salary	Current	Offer	Variance	Details
Annual Base Salary	\$175,000	\$205,000	\$30,000	Based on potential offer, as outlined in offer scenario A, your company's salary of \$205,000 is an approximate 17% increase from Jane's current salary of \$175,000
Base Salary + 4.5% Annual Raise	\$182,875	NA	\$7,875	Jane will receive a raise of 4.5%, increasing Jane's base salary from \$175,000 to approximately \$182,875

Disclaimer: Details provided in the "Offer" column of this report are based on Ropella's Offer Scenario A (outlined on the final page). Additional benefit details are based on information received from HR and/or the hiring manager.

Notes: Jane is expecting her annual raise of 4.5%. Her salary will increase to \$182,875. Therefore, if we offer a salary of \$205,000, her actual salary increase will be approximately 12% (rather than the 17% listed above).

Cost Of Living	Current	Offer	Variance	Details
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Location	Brunswick, OH	Florence, KY	NA	
Cost of Living is less expensive in the new location by....			0.3%	- Overall, Florence, Kentucky is 0.3% cheaper than Brunswick, Ohio - Median Home Cost is the biggest factor in the cost of living difference. - Median Home Cost is 10% cheaper in Florence. [Source:Bestplaces.net]
Base Salary (adj. per COL%)	\$175,000	\$174,475	\$525	The salary presented in the offer column represents what Jane's current salary would need to equal in Florence, KY to maintain their current standard of living.
State Income Tax	5%	6%	1%	[source:Bankrate.com]
Income Tax (calculated in \$)	\$8,750	\$12,300	\$3,550	Current Employer: \$175,000 current base salary x 5% current state income-tax rate = \$8,750 Your Company: \$205,000 offer base salary x 6% offer state income-tax rate = \$12,300
State Sales Tax	5.75%	6%	0.25%	[source:Bankrate.com]

Disclaimer: The candidate's current salary was used for the calculations in the 'Cost Of Living' section.

Short-Term Incentives	Current	Offer	Variance	Details
Bonus Target	33%	20%	13%	Current Employer: Jane's current bonus payout is based on one part individual performance, one part business unit performance, and one part company performance. Your company's current bonus payout is based on one part individual performance, one part business unit performance, and one part company performance.
Bonus (calculated in \$)	\$57,750	\$41,000	\$16,750	Current Employer: \$175,000 current base salary x 33% current annual bonus = \$57,750 Your Company: \$205,000 offer base salary x 20% offer annual bonus = \$41,000
Bonus Payout Date	02/28/2020	NA	NA	
Bonus Lost by Leaving	\$57,750	NA	\$57,750	Jane will lose \$57,750 in bonus payouts.

Notes: Jane's current bonus program has a target of 25%, but can payout up to 150% of that number depending on performance. She has had an exceptional year and only recently learned that she has nearly maxed out the bonus. Should she leave her company prior to the end of February, she will be forfeiting her earned bonus of \$57,750. Her typical bonus over the past several years has paid out around 23%. We will need to strongly consider a sign-on bonus to offset this loss if we plan to have Jane join your company before March.

Share-Based Incentive Pay	Current	Offer	Variance	Details
Stock Option Plan (annual)	\$0	\$0	\$0	
Employee Share Purchase Plan	\$0	\$0	\$0	Your company does offer an Employee Stock Purchase Plan
Share Value Lost by Leaving	\$0	NA	\$0	

Long-Term Incentives	Current	Offer	Variance	Details
401K Co. Contribution	6.5%	11%	4.5%	Her current employer matches 100.00% of Jane's contribution, up to 6.5% of gross pay Your company will make a fixed contribution equal to 5% of Jane's gross pay regardless of the amount of Jane's contribution, and then matches 100% of Jane's contribution, up to 6% of gross pay. Therefore, the total company contribution as a percentage of Jane's gross pay is: 5% + (100% x 6%) = 11%
401K (calculated in \$)	\$11,375	\$22,550	\$11,175	Current Employer: \$175,000 x 6.5% = \$11,375 Your Company: \$205,000 x 11% = \$22,550
Unvested Contributions	\$0	NA	\$0	

Insurance (Out-of-Pocket Expenses)	Current	Offer	Variance	Details
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Medical Insurance	\$2,160	\$1,846	\$314	Current Employer: \$180 per month x 12 months = \$2,160. Your Company: \$71 per pay-period x 26 pay periods = \$1,846.
Dental Insurance	Included	\$312	\$312	Your Company: \$12 per pay-period x 26 pay periods = \$312.
Vision Insurance	Included	\$182	\$182	Your Company: \$7 per pay-period x 26 pay periods = \$182.
Prescription Plan	Included	Included	\$0	
Health Care Flex. Spending	Included	Included	\$0	
S-T Disability Insurance	Included	Not Offered	\$0	
L-T Disability Insurance	Included	Included	\$0	
AD&D Insurance	Included	Included	\$0	
Life Insurance	Included	Included	\$0	

Notes: The insurance offerings of your company are comparable to Jane's current plan.

Paid Time Off (PTO)/Vacation	Current	Offer	Variance	Details
Paid Time Off (PTO)	3 Week(s)/yr.	4 Week(s)/yr.	NA	
PTO (\$ value)	\$10,096	\$15,769	\$5,673	
Time Until PTO Increase	1 Month(s)	0	NA	Jane's vacation time increases to 4 weeks. We should strongly consider offering 4 weeks' vacation to match if possible.

Employee Contract Provisions	Current	Offer	Details
Existing Non-Compete	Yes	Yes	Please provide a copy of the candidate's Non-Compete agreement
Severance Package	No	No	

Notes: Jane is confident that her current non-competes won't be a factor when moving to your company.

Household Income	Current	Details
Spouse/Significant Other - Annual Income	\$0	Jane's husband, Matt, recently took a new position, but Jane makes a majority of the household income and Matt is willing to relocate and find new work if Jane takes this position with your company.

Compensation Comparison Completed	Current	Offer	Variance	Details
Total Package	\$244,125	\$268,550	\$24,425	Jane's current compensation package includes: Base Salary: \$175,000 + Bonus: \$57,750 + 401K: \$11,375 = Total Comp.: \$244,125 The offer compensation package includes: Base Salary: \$205,000 + Bonus: \$41,000 + 401K: \$22,550 = Total Comp.: \$268,550
Sign-On Bonus (if Applicable)	NA	\$60,000	\$60,000	
Costs to Candidate for Making a Job Change	\$57,750	NA	\$57,750	Jane's cost incurred by making this job change includes: Bonus Lost: \$57,750 = Total Cost: \$57,750
Variance After Sign-On	\$244,125	\$328,550	\$84,425	

Notes:
 To get equality, the base salary needs to be \$186,354
 To increase total compensation by 5%, base salary will need to be \$195,672
 To increase total compensation by 10%, base salary will need to be \$204,990
 To increase total compensation by 15%, base salary will need to be \$214,308

Disclaimer: The accuracy of the information displayed in the spreadsheet above is based on what the candidate, and/or hiring manager has shared with us.

Relocation	Offer			Needs/Details
The candidate has signed a Relocation Acknowledgement Form. Relocation Expenses will be paid by the hiring company by Invoices or Reimbursed Receipts				
Cost of Moving HHG	Yes	\$5,000	Tax Deductible	
House Hunting Trip(s)	Yes	\$2,000	Non Deductible	
Temporary Living	Yes	\$3,000	Non Deductible	
Temporary Storage	No	\$0	Tax Deductible	
Realtor Fees (6% of sales price)	No	\$0	Non Deductible	
Selling Closing Costs (1.5% of sales price)	Yes	\$6,000	Non Deductible	\$400,000 estimated home value
Buying Closing Costs (2.5% of buy price)	Yes	\$10,000	Non Deductible	\$400,000 estimated home value
Lump Sum for Incidentals	Yes	\$7,500	Non Deductible	
Home Buy Out Program	No	\$0	Non Deductible	
Total Relocation Amount		\$33,500		
Taxable Relocation Amount		\$28,500		\$28,500 of the \$33,500 will be taxed as ordinary income.
Tax Assistance	Yes			Gross-up provided to offset federal, state, local and applicable FICA taxes for the most nondeductible relocation expenses.
Realtor Referral Available	Yes			Altair

Notes: Figures used for relocation expenses are estimates. Jane is comfortable with the relocation package provided by your company, which includes a Lump Sum Allowance to cover many of these expenses.

Offer Acceptance Strategy	Salary Scenarios	Variance	Offer Recommendation Details
A. Salary that Ropella can accept on Jane's behalf	\$205,000	\$24,425	Your company offers a base of \$205,000 as well as a \$60,000 sign-on bonus. We are highly confident that a package at this level would be accepted by Jane and we can go ahead and set a start date.
B. Salary that could still be considered viable	\$195,000	\$11,325	Your company offers a salary of \$195,000 as well as a \$60,000 sign-on bonus. A package at this level could still be attractive to Jane, but it's more of a roll of the dice and she will want time to compare it to her current package and any counter offers.
C. Salary that Jane will likely walk away from	\$185,000	\$1,775	Your company offers an absolute minimum salary of \$185,000 as well as a \$60,000 sign-on bonus. A package at this level will likely fail and result in Jane staying with her current employer or continuing to look at other opportunities.

Notes:

Start Date

Details

Expected Start Date

Jane would need a minimum of 4 weeks before she could begin with your company in order to wrap up existing projects. She is also expecting a large bonus in late February. If we are unable to provide a sufficient sign-on bonus, the start date will need to be pushed to early March.

Consider the following items related to Start Date

As a reminder, let's partner together to be sure any offer contingencies are processed for completion as soon as possible. Delays allow for competing offers, counter-offers from current employers, and second thoughts caused by the candidate's influencers. Delays simply create challenges that impede efficient on-boarding and prompt start dates.