

# PARADOX Compensation Advisors

Committed to one goal: ensuring the success  
of your business and your employees



Paradox Compensation Advisors specializes in helping clients develop and implement compensation programs that are aligned with their business mission and objectives, competitive, fair and compliant. With our

decades of cumulative experience, Paradox consultants deliver “big firm” capabilities – without the extraordinary overhead or bureaucratic inertia.

Armed with state-of-the-art proprietary technology and data, Paradox ensures that your organization better manages compensation decisions and efficiently implements major program changes. Paradox is at the leading edge of providing **co-sourced, technology-based solutions** that enhance compensation business processes and reduce costs.

**Compensation Co-Sourcing** - Management of compensation programs has become increasingly complex, visible and expensive given the level of internal and external expertise required.

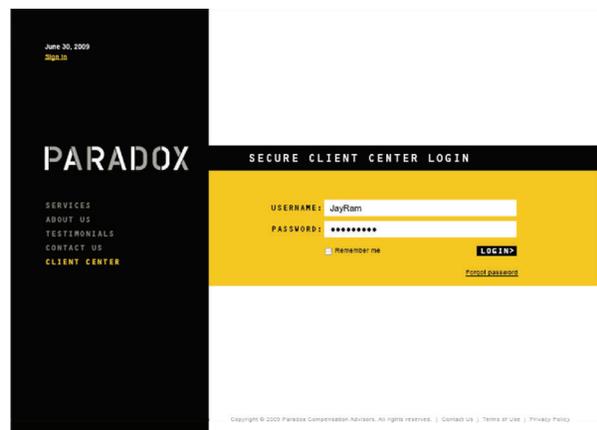
Outsourcing has not proved to be a practical option for most organizations because of the dynamic nature of compensation methods and decision-making, and the need to link programs to business goals in a quickly evolving environment.

Paradox Compensation Co-sourcing is a web-based “back office,” supporting all of your compensation business processes more responsively, efficiently and cost-effectively. The Paradox Co-sourcing solution enables your organization to:

- Support faster, better HR and management decision-making
- Maintain competitive programs more cost-effectively
- Free up resources for high-value program development

- Retain control over compensation strategy and decisions
- Proactively address escalating regulatory and public scrutiny
- Access independent compensation consulting expertise, comprehensive data and leading edge technology

Under a Paradox Co-sourcing arrangement, your Human Resources staff continues to provide front-end contact and services, decision-making, training and other critical functions. **Paradox, through a unique combination of robust technology and highly experienced consultants, provides 24/7 access to full compensation management support – including integrated reporting and analyses on employees, jobs, the market and your total compensation programs.** We can also maintain forms and communications ranging from job descriptions to long-term incentive award agreements.



Updated reports, analyses and other program-related documents are always available by signing in to our secure client area via the Paradox website. In addition, many reports are available in spreadsheet format for you to further filter and sort data to meet your *ad hoc* needs.

Our relational databases allow wide flexibility in reporting capabilities and easy data maintenance.

Doing more with less is not an option; it's a mandate.

A core component of every compensation function is **market analysis**. Paradox provides quick access to up-to-date, competitive information that ensures you appropriately value the talent needed to execute your business plan. We can utilize our data or yours in order to price jobs and compare your base salary, short- and/or long-term incentive practices to the market.

The Job Pricing Report summarizes market data for each benchmarked position. Analyses can also provide a predicted grade or band based on market and/or internal value.

**JOB PRICING REPORT  
TOTAL CASH COMPENSATION (\$000s)**

Job Code: EC0028 Job Title: SENIOR VP, REGION # EE's: 5 50th Base: \$318.0 50th STI: \$82.0 50th Total Cash: \$395.0

| Job Overview   |         | Market Summary          |         |                      |         |            |  |  |  |  |  |
|--|---------|-------------------------|---------|----------------------|---------|------------|--|--|--|--|--|
| Directly responsible for non-manufacturing activity (sales, marketing, central purchasing, logistics and transportation) and P&L for one of five Regional Business Groups. Reports to Group President. |         | Base                    |         | Short Term Incentive |         | Total Cash |  |  |  |  |  |
| 25th:  | \$220.4 | 75th:                   | \$107.5 | 25th:                | \$202.2 |            |  |  |  |  |  |
| 50th:  | \$282.5 | 50th:                   | \$143.4 | 50th:                | \$414.2 |            |  |  |  |  |  |
| Mean:  | \$282.5 | Mean:                   | \$171.3 | Mean:                | \$462.8 |            |  |  |  |  |  |
| 75th:  | \$312.3 | 75th:                   | \$222.5 | 75th:                | \$530.2 |            |  |  |  |  |  |
| Market Salary Grade: 6   |         | (Min) (Mid) (Max)       |         |                      |         |            |  |  |  |  |  |
| Current Salary Grade: 6  |         | \$210.5 \$269.5 \$342.0 |         |                      |         |            |  |  |  |  |  |

| Survey Source | Survey Job Title           | Weight | Data Cut    | # of Org. | # of EE's | Base    |         |         |         | Short Term Incentive |         |         |         | Total Cash |         |         |         |         |
|---------------|----------------------------|--------|-------------|-----------|-----------|---------|---------|---------|---------|----------------------|---------|---------|---------|------------|---------|---------|---------|---------|
|               |                            |        |             |           |           | 25th    | 50th    | Mean    | 75th    | 25th                 | 50th    | Mean    | 75th    | 25th       | 50th    | Mean    | 75th    |         |
| Source 1      | Single-Peak<br>Center Head | 1      | 300M-400M   | 45        | 156       | \$206.1 | \$217.6 | \$261.5 | \$266.6 | \$110.0              | \$153.9 | \$163.7 | \$165.0 | \$168.9    | \$205.5 | \$417.7 | \$432.7 | \$437.7 |
| Source 1      | Single-Peak<br>Center Head | 1      | 400M - 500M | 10        | 112       | \$232.3 | \$246.9 | \$267.7 | \$268.0 | \$136.3              | \$173.2 | \$183.9 | \$203.9 | \$278.4    | \$419.0 | \$473.6 | \$494.4 | \$494.4 |
| Source 1      | Single-Peak<br>Center Head | 1      | 500M+       | 12        | 114       | \$266.1 | \$269.9 | \$225.1 | \$294.7 | \$121.4              | \$140.9 | \$205.6 | \$245.8 | \$278.2    | \$444.8 | \$491.0 | \$491.0 | \$491.0 |
| Source 2      | General<br>Business Head   | 1      | ALL         | 133       | 1081      | \$201.1 | \$240.1 | \$264.9 | \$263.8 | \$64.9               | \$110.6 | \$141.8 | \$163.4 | \$262.5    | \$347.6 | \$410.0 | \$468.5 | \$468.5 |

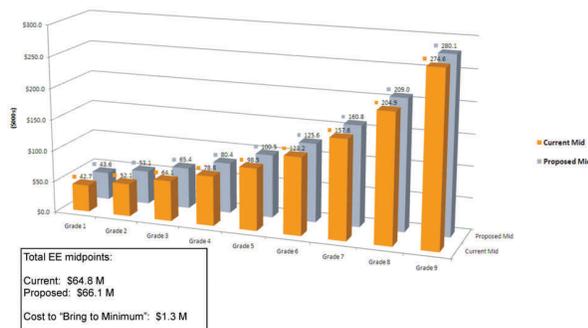
The Market Summary Report allows you to view competitive values on all jobs or a sub-set of jobs (selected by organizational unit, location, level, etc.). This report is available for both total cash and total direct compensation. Other reports display the relationship between market data and employee pay.

**MARKET SUMMARY - TOTAL DIRECT COMPENSATION**

| Job Code | Job Title            | Region | Grade | Total Cash (\$000s) |         |         |         | Long Term Incentive (\$000s) |         |         |         | Total Direct Compensation (\$000s) |        |         |         |         |         |        |
|----------|----------------------|--------|-------|---------------------|---------|---------|---------|------------------------------|---------|---------|---------|------------------------------------|--------|---------|---------|---------|---------|--------|
|          |                      |        |       | 25th                | 50th    | Mean    | 75th    | 25th                         | 50th    | Mean    | 75th    | 25th                               | 50th   | Mean    | 75th    |         |         |        |
| EC0028   | SENIOR VP, REGION    |        | 6     | \$333.2             | \$444.3 | \$462.8 | \$502.2 | 0.9%                         | \$118.5 | \$164.8 | \$202.2 | \$204.0                            | 5.5%   | \$453.7 | \$609.2 | \$664.8 | \$706.7 | 10.4%  |
| EC0096   | VP SALES & MARKETING |        | 5     | \$258.8             | \$255.8 | \$330.1 | \$417.8 | 19.2%                        | \$84.9  | \$161.3 | \$179.5 | \$460.0                            | 0.7%   | \$343.4 | \$517.2 | \$544.5 | \$668.4 | -14.4% |
| EC0112   | GROUP CONTROLLER     |        | 7     | \$188.4             | \$158.8 | \$198.1 | \$262.4 | 0.6%                         | \$36.0  | \$40.4  | \$44.9  | \$51.1                             | -11.6% | \$177.0 | \$208.7 | \$205.7 | \$268.9 | -3.9%  |

Structure Analysis enables management to consider the financial impact of proposed changes in a base pay structure or incentive programs.

**SALARY STRUCTURE ANALYSIS - PROPOSED VS. CURRENT**



These are just a few samples of our full capabilities. Contact one of our senior consultants or go to our website for more information.

**Compensation Consulting** - Paradox offers a full spectrum of services for compensation program development, training and communications, including:

**Total Rewards Strategy & Compensation**

**Program Design** - Paradox can help you design and implement base salary structures, short- and long-term incentives and other approaches that align your compensation program with overarching business objectives.

**Governance & Regulatory Support** - Paradox guides you through the often murky details of establishing appropriate governance policies and complying with regulatory requirements.

**Implementation** - The success of any compensation program hinges on effective implementation. Paradox specializes in compensation project communication, training and orientation for managers, employees, and/or HR staff.

**Paradox Senior Consultants**

**Marsha Cameron** - Her approach focuses on the integration of a company's business strategy and objectives with its total reward programs. A pioneer in the use of statistical analyses and technology in the compensation field, Ms. Cameron specializes in pay programs for both executive and broad-based employees.

**Billie Day** - She is known as a business-oriented advisor who finds customized solutions to support company and employee performance. Ms. Day specializes in broad-based pay programs (base pay and incentives, including sales and teams).

**David Snow** - David provides technology support and consulting for Paradox co-sourcing clients. Prior to joining the firm, David was responsible for the design and implementation of Human Resources programs at a large national manufacturing company.

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