

When to Give a Raise



It's important to make your employees feel valuable. A large part of doing so is giving raises. The trick is knowing when and how much to provide. You need your employees to prove their worth but not feel over expended without proper compensation.

As a Specialty Quality and Regulatory Recruiter, I have seen successful companies follow the properties that I will outline in this article. Employees leave jobs for many reasons. Pay and lack of recognition are big ones.

Acknowledge Value

To award raises, you must understand value within your company. This means, creating key performance indicators (KPI's) for each employee. That way, your employees will know what they are working toward. Make sure that your goals challenge them but are achievable.

Keep Your Employees Informed

Communication is essential in any relationship - this includes business. Keep your employees informed throughout the year of whether they are meeting their KPI's. You could do this by quarterly reports. Most people want to do well. Taking the time to review job performance, write a report, and meet is an investment for your company. Growing the skills of your employees is cheaper than hiring.

But, of course, if you need to add to your team or upgrade the team you have, I can help you find the right employee to help you meet company goals.

Don't Guess! Crunch the Numbers

If your employees reach their goals, it's essential that you provide them with the correct compensation. This is not only essential for them but the financial stability of your company. Employees receive more salary when they are providing more return to the company. Top performers should get a bigger raise, but be careful.

Giving too much of a raise can cause drama. Employees talk. If a colleague earns less of a raise than another a coworker could get upset. When you give your employee the raise, explain what goals they completed to justify the number.

It's also important to make sure what you are paying your employees is competitive. There are salary surveys that can help. And for Regulatory and Quality positions in the San Francisco Bay Area I can be a resource to let you know what the market is paying for these positions. Paying a competitive salary will help you keep your employees. If you don't want to pay the market rate for good talent, your competitors will.