



COMPENSATION BEYOND A PAYCHECK

By Meghan Koransky

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“People will forget what you said, people will forget what you did, but people will never forget how you made them feel” is a quote that is widely associated with Maya Angelou. The idea is the feelings someone invokes in others have a profound and enduring impact. This sentiment is especially relevant to today’s workforce.

Successful leaders recognize it is not just what you pay employees; it is how you make them feel. Now more than ever employees are looking for compensation beyond traditional pay and benefits. Employees want to know how much they will earn, and they want to know how they will develop, advance, and thrive. For firms to remain competitive, they need a holistic approach to compensation and rewards.

Emotional salary refers to the non-economic benefits employees derive from work, such as meaning, community, recognition, and growth. Non-economic benefits can add to or subtract from an employee’s overall experience. Paired with competitive pay, the right blend of intangible benefits makes employees feel happier and more engaged. This strengthens productivity and client service without adding to payroll costs.

For firms looking to enhance their employee offering, there is no one-size-fits-all approach. What motivates one employee or employee group may not motivate another. For example, baby boomers tend to be motivated by flexibility and peer recognition whereas millennials prefer skills, training, and feedback.

It is important leaders listen to employees and be agile in responding to their feedback. Examples of strategies to boost comprehensive compensation and rewards include:

- **Identifying managers who provide an exceptional attorney and staff experience.** Conversations with managers influence employee engagement and performance more than anything else. Genuine and intentional conversations keep employees excited about their job and strengthen motivation and productivity. On the other hand, negative conversations kill morale and weaken productivity. Managers need to be adept at understanding and connecting with people.

- **Building a workplace where employees feel at home.**

Employees often say, “I could switch firms and make more money, but I would miss the people.” It is important to create a space where everyone feels connected and belongs. From curated mentoring and special recognition programs to employee highlights and non-alcoholic drink options, the opportunities are endless. Even a firm’s physical layout can be adapted to make employees feel more at home with natural light, better views, and collaborative spaces.

- **Demonstrating an authentic commitment to workplace flexibility.** Employees take notice when there is a disconnect between what firms say and what they do.

For firms that tout a family-first culture, practices need to match the promise. Not only do employees want to decide where they work, they also want to determine when and how they work. This includes autonomy to shape work schedules and environments, such as remote work options, flexible hours, employee sabbaticals, and alternative arrangements.

- **Leading with transparency and candor.** Employees care about communication and information sharing, especially regarding compensation, the path to partnership, parental leave, and firm priorities. This includes clarity around expectations and goals, such as the financial determinants used for bonus calculations. While not all decisions will be popular, openness about how and why decisions are made builds trust and loyalty.



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