How to benchmark your pay program using Benchmark Select Compensation Reports

2025

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Reliable market pay data is important

Talent is in short supply and getting compensation right is critical to attracting and retaining a productive workforce. Reliable market data helps you:

- Stay current on rapidly changing talent markets and compensation trends

- Benchmark your pay with the market to maintain an effective and competitive pay program

- Stay ahead of your competitors in attracting and retaining business-critical talent

- Make data-driven decisions, eliminating the guesswork

About Benchmark Select Compensation Reports

Provide access to 250+ core jobs without the need to submit data

Allow easy-to-use job matching through job descriptions, eliminating the need to understand grading methodology

Helps companies develop and maintain competitive and cost-effective pay programs.

Senior IT Development Manager

AID-M3-14|15

Alternative Title/s: Senior IT Development Manager; Senior Information Technology Manager; Senior Technology Manager; Information Technology Director

Sample Size
529
Number of Organizations
12,599
Number of Incumbents

Job Summary

Manages process for introducing short- and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications infrastructure. Reviews system requirements and business processes. Oversees coding, testing, debugging and implementation of software solutions. Provides leadership to managers and is accountable for performance and results of multiple related units; typically is responsible for performance evaluation, pay reviews and hire/ fire decisions.

Function

IT Development

Designs, develops and implements short-and long-term solutions to information technology (IT) needs through new and existing applications, systems architecture, network systems and applications and applications infrastructure. Reviews system requirements and business processes; codes, tests, debugs and implements software solutions.

Descriptive Statistics

Market Data	Average	10th Percentile	25th Percentile	50th Percentile	75th Percentile	90th Percentile
Base Salary	172,648	144,225	158,542	171,848	187,151	201,693
Target Total Annual Incentives % of Base Salary	18	10	15	16	20	25
Target Total Annual Compensation	196,684	157,336	175,459	194,000	217,385	235,497
Actual Total Annual Incentives	33,643	12,554	21,373	29,915	42,679	58,337
Actual Total Annual Compensation	198,216	154,812	176,657	194,662	221,772	242,671

Eligibility for Performance Bonus

Yes	No
78%	22%

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Reported in USD | Organization-weighted
Effective Date: 01 January 2023
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2022/2023 Benchmark Select Compensation Report
United States

Report coverage

Reports available

- 36 local reports are available in Asia Pacific, Europe, Middle East, Latin America and North America
- PDF and Excel download from online delivery tool

Key features

- Pay data for more than 250 positions across 33 functions
- Management to support level
- Geographic salary index

Up to 10 data elements

- Base salary
- Target total annual incentives as a percent of base salary
- Target total annual incentives
- Actual total annual incentives
- Actual total annual compensation

Example position listing

- Pay data for more than 250 positions across 33 functions
- Management to support level

How to use the report

Steps:

- **Choose your organization's market position (i.e., median, P75, P90)**

- Review all definitions

- Job matching

  – Find your organization function, followed by levels

  – Review job summary and function description to ensure a proper match

- Choose the compensation elements

- Calculate the compa-ratio

Determine your compensation pay positions

Your overall compensation philosophy should include determining where and how you want to compensate your employees in relation to the market, e.g., median (P50 or 50th percentile) or upper quartile (P75 or 75th percentile.)

By matching the pay rates with the market, you can stay competitive, hence improving your ability to attract and retain talent.

How to use the report

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Report Data Element Definitions

Below we have provided you with the definitions for each column of data.

Job Code

The job code is comprised of two elements used to describe the benchmark job that most closely matches the incumbent's responsibilities.

Function/Discipline

The three-letter or six-digit code for the incumbent's job family or area of specialization (e.g., AHR Human Resources, AHR010 Compensation and Benefits).

Career Level/Global Grade Range

The incumbent's level of contribution within the organization (e.g., Manager/Supervisor, Professional, Sales, and Support), followed by the applicable Global Grade range aligned to the Career Levels.

Job Title

The benchmark job title describes the nature of the work and career level.

Alternative Job Titles

Examples of job titles that are typically used for benchmark jobs.

Number of Reporting Organizations (# of ORGS)

Total number of participating organizations providing data for the benchmark job.

Number of Reporting Cases (# of EEs)

Total number of incumbents in the sample.

12-Month Base Salary

The monthly base salary amount multiplied by 12, independent of the number of months of base salary used to define the annual base salary. [APAC, LATAM only].

Fixed/Guaranteed Bonus

Mandatory or fixed guaranteed bonus amount.

Base Salary

The current full-time equivalent (FTE) annual base salary, including any guaranteed additional fixed payments such as holiday pay and any extra-contractual months required by law, collective agreement or organization practice.

Total Fixed Cash Allowances (excluding Car)

Sum of all fixed cash allowances (excluding Car Allowances).

Total Guaranteed Compensation

Sum of annualized Base Salary and Total Fixed Cash Allowances.

Target Total Annual Incentives % of Base Salary

Target Total Variable Pay calculated as a percentage of base salary.

Target Total Annual Compensation

Sum of Total Guaranteed Compensation and Target Total Variable Pay.

Actual Total Annual Incentives

Sum of Actual Performance Bonus, Actual Sales Incentive, Actual Commission, Actual Discretionary Bonus, Actual Total Profit Sharing and Other Actual Cash Payments.

Actual Total Annual Compensation

Sum of Total Guaranteed Compensation and Actual Total Variable Pay.

Eligible for Performance Bonus

Percentage of incumbents eligible for performance bonus.

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Functions

Below is a list of the Function Codes and Function Titles used in the report.

Function Code	Function Name
AAB	Business Unit Management
AAS	Administrative Services
ACA	Corporate Affairs/Communications
AFA	Finance
AFB	Accounting
AFC	Credit and Collections
AFT	Financial Analysis and Tax
AFU	Audit and Financial/Business Controls
AHR	Human Resources
AHS	Environmental Health and Safety
AIC	Information Technology
AID	IT Development
AIT	IT Administration
ALG	Legal
AMJ	Sales, Marketing and Business Development
AMK	Marketing
AMS	Customer Support/Operations
AMT	Technical Customer Support
AOM	Manufacturing/Operations
APM	Project/Program Management
AQY	Quality Assurance Methods
ARE	Real Estate and Facilities
ARP	Product Development
ASC	Supply Chain and Logistics
AZE	Engineering
AZT	Technical Specialty/Skilled Trade
AZU	Manual/Unskilled Labor
CAM	Account/Relationship Management
CSA	Sales
CSC	Channel Sales
CSD	Direct Sales
CTS	Remote Sales
CUS	Sales Support and Administration
CUT	Technical Sales Support

Survey Levels

Below are list of Career Bands, Career Levels and Global Grades used in the report:

Career Band	Career Level	Global Grade
Executive (EX) - CEO/Profit Center Head	NA	G15-20
Functional Executive (EX)	NA	G15-20
Supervisory/ Management (M)	M3 Senior Manager	G14-15
	M2 Manager	G12-13
	M1 Supervisor	G10-11
Professional (P)	P4 Specialist	G13-14
	P3 Career	G11-12
	P2 Intermediate	G9-10
	P1 Entry	G8
Customer Management and Sales (S)	S4 Expert	G13-14
	S3 Career	G11-12
	S2 Intermediate	G9-10
Technical Support (T)	T3 Senior	G7-8
	T2 Intermediate	G6
Business Support (U)	U3 Senior	G7
	U2 Intermediate	G5-6
Production/ Manual Labor (W)	W3 Senior	G6
	W2 Intermediate	G4-5

Find your organization function, followed by levels

How to use the report

Steps:

- Choose your organization's market position (i.e., median, P75, P90)

- Review all definitions

- **Job matching**

  – Find your organization function, followed by levels

  – **Review job summary and function description to ensure a proper match**

- Choose the compensation elements

- Calculate the compa-ratio
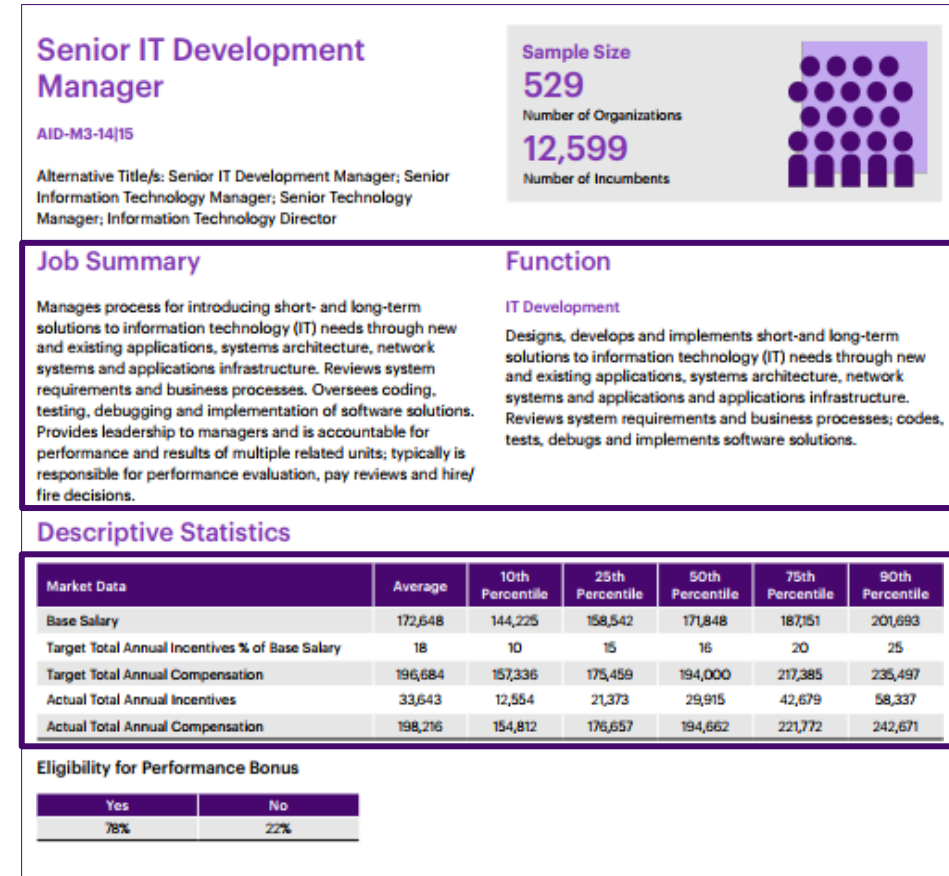
Review job summary and function description to ensure it matches with your job

Benchmark peer data at your organization's market position against your data

How to use the report

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Eligibility for Performance Bonus

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Identify the compensation elements that you want to benchmark against peer data

How to use the report

Steps:

- Choose your organization's market position (i.e., median, P75, P90)

- Review all definitions

- Job matching
  - Find your organization function, followed by levels
  - Review job summary and function description to ensure a proper match

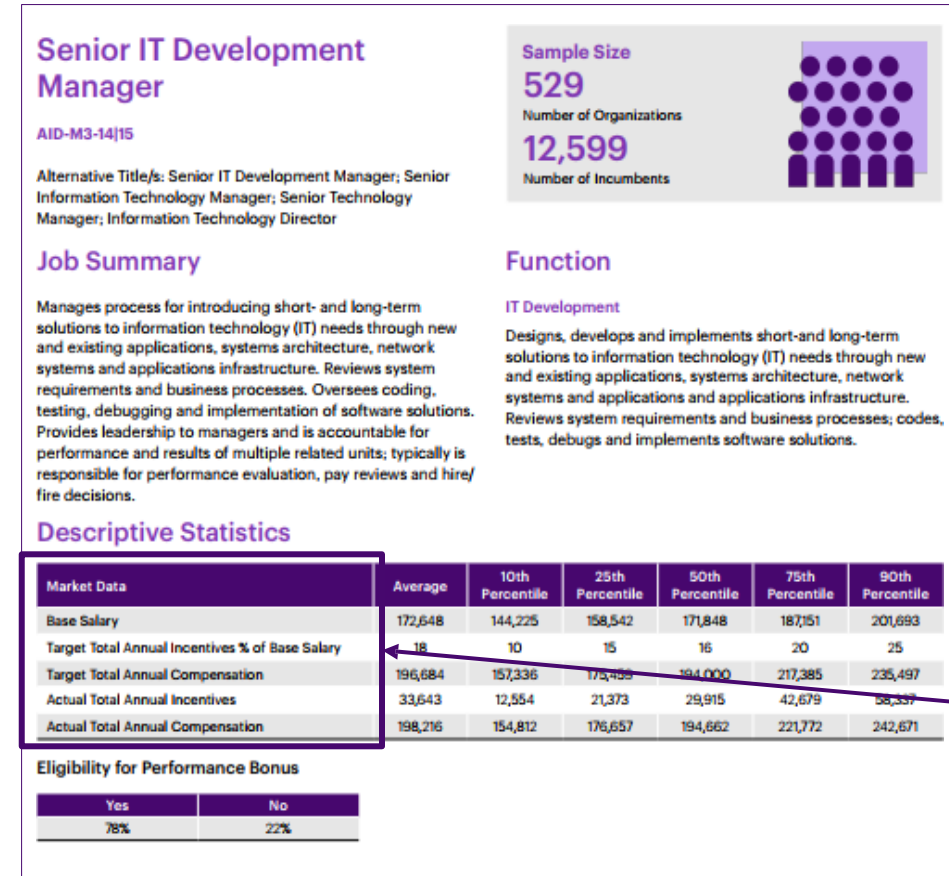- Choose the compensation elements

- **Calculate the compa-ratio**

How to calculate Compa-ratio

A commonly used measurement for determining how average salaries are different from the target salary is the competitive compa-ratio. If, for example, your target is the median of a salary range, the competitive compa-ratio can be determined by:

$$\frac{\text{Average of all salaries in a specific job} \times 100\%}{\text{Median (market target)}}$$

If your position base pay is $47,000 per year, median (P50) of similar positions is $49,000, the compa-ratio formula is:

$$\$47{,}000/\$49{,}000 \times 100 = 95\%$$

A market ratio of 100 means the average actual pay is equal to the market target. If the ratio is above 100, the average actual pay is higher than the market target. In this example, the organization pay is 5% below market.
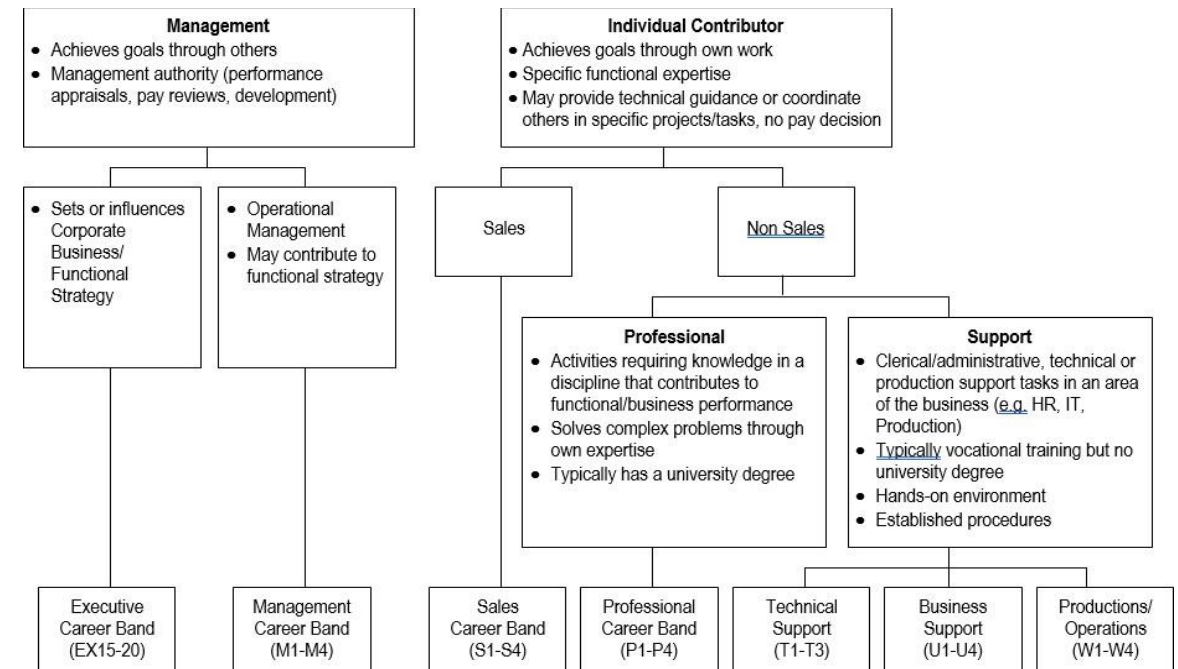
Job matching notes

Identify career band

To establish a job's career band, determine whether your job is:

- Supervisor/manager or individual contributor
- Sales or non-sales
- Professional or support
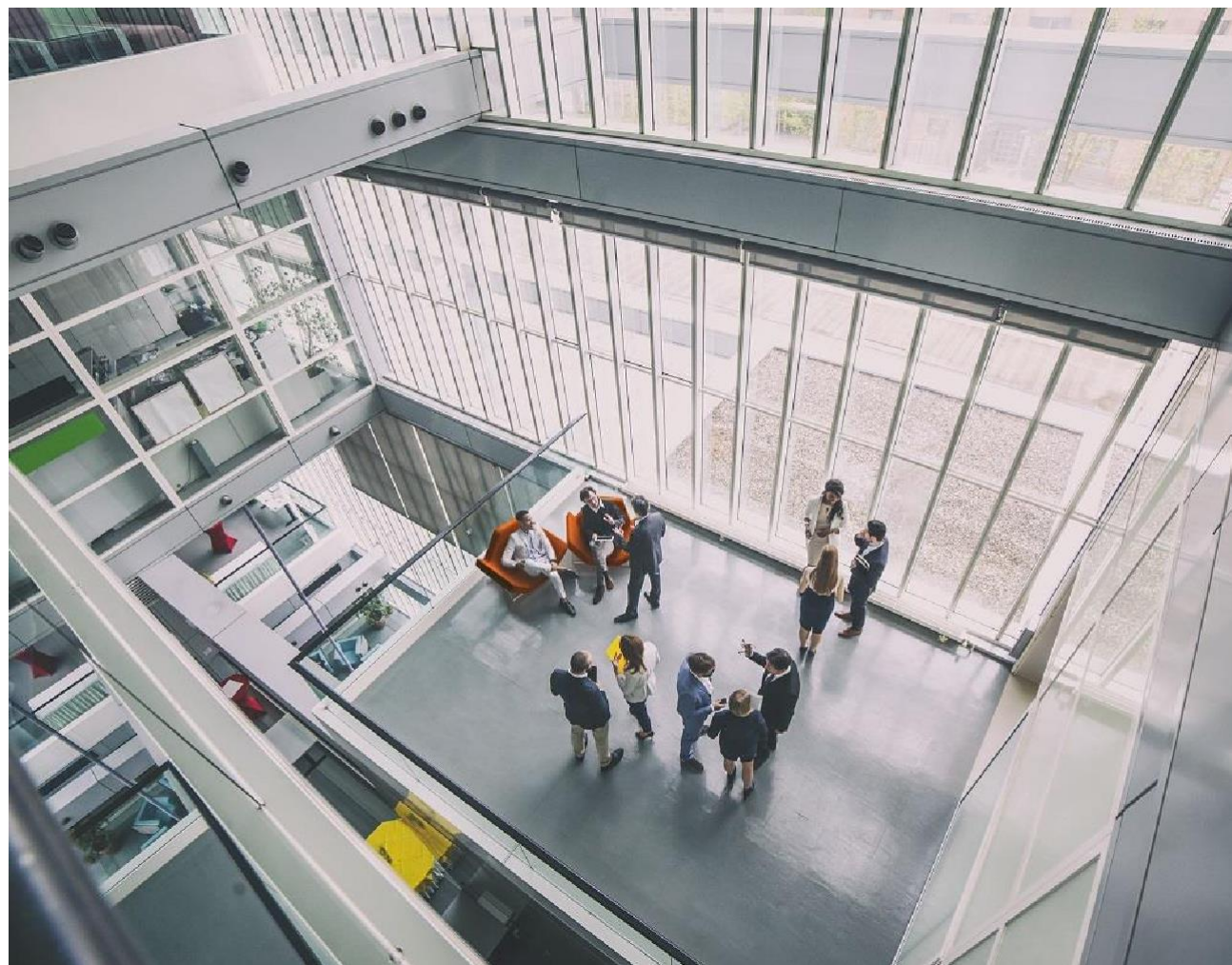- Technical support, business support or production/operations

Benchmarking roles with more than one main responsibility/hybrid roles

- An appropriate match assumes incumbent position description is at least 80% of the survey position description
- For a position that has all the responsibilities of one position plus those of another, the most representative position should be matched

The process for identifying the appropriate career band

Management	Individual Contributor
• Achieves goals through others • Management authority (performance appraisals, pay reviews, development)	• Achieves goals through own work • Specific functional expertise • May provide technical guidance or coordinate others in specific projects/tasks, no pay decision

• Sets or influences Corporate Business/ Functional Strategy	• Operational Management • May contribute to functional strategy

Sales   Non Sales

Professional	Support
• Activities requiring knowledge in a discipline that contributes to functional/business performance • Solves complex problems through own expertise • Typically has a university degree	• Clerical/administrative, technical or production support tasks in an area of the business (e.g. HR, IT, Production) • Typically vocational training but no university degree • Hands-on environment • Established procedures

Executive Career Band (EX15-20)	Management Career Band (M1-M4)	Sales Career Band (S1-S4)	Professional Career Band (P1-P4)	Technical Support (T1-T3)	Business Support (U1-U4)	Productions/ Operations (W1-W4)

Contact us

Thank you