



Working Group  
COO Compensation Index  
(COOCi)

Q3 2022



ARMSTRONG WOLFE™

### Armstrong Wolfe - COO Compensation Index (COOCi)

Access to accurate compensation data for business management is key to support the COO's reward strategies. This need has been further highlighted by the pandemic, consequential changing working patterns and enhanced internal and external pressure on the financial services employee base/talent pool.

To ensure iCOOC member companies are competitive in today's highly complex and increasingly volatile world, there is a need for granular, regional and a global view of how your firm compares to the market for business management talent.

We recognise this need to provide data which will allow the members of iCOOC and the COO community to make informed pay decisions for the short and long-term. This requirement is increasingly important as the trend of prohibiting firms from asking candidates for their salary history continues to rise globally. Therefore, using trusted third-party data aggregated by Armstrong Wolfe, will ensure competitive pay programmes is critically important.

Armstrong Wolfe is the global expert and trusted partner to the COO community and is perfectly placed to work with this community to design, build and deploy a compensation index.



### Problem Statement

Access to reliable and accurate compensation data for permanent staff within business management is not available to the executive management of financial services.

### Objective

By cooperating with iCOOC members in establishing a compensation working group, Armstrong Wolfe will design, build and deploy a portal technology tool to provide a compensation index for permanent positions within business management.

### The aims of the iCOOC working group:

- » To establish a taxonomy of positions within business management
- » To design the product from a user perspective, and address challenges to participation

### Start and delivery dates for the working group:

- » **Q3** Compensation Working Group established
- » **Q4 2022** phase 1 data available in non-portal form
- » **Q2 2023** phase 2 data available in portal form

This solution will provide data in 3 areas of financial services:

- » Asset Management
- » Financial Markets
- » Investment Banking



This data will:

Cover the principal financial locations/regions:

- » Toronto
- » New York
- » London
- » Paris
- » Zurich
- » Frankfurt
- » Dubai
- » Singapore
- » Hong Kong
- » Japan

Be aggregated for review annually in Q4 in line with year end compensation reviews

Be provided from analyst to managing director level appointments:

- » Analyst
- » Manager
- » AVP
- » VP
- » Director
- » Managing Director

Business management positions include:

- » Global / Regional COO
- » Global / Regional CAO
- » Global / Regional Chief of Staff
- » Product / Business COO
- » Strategy / Innovation
- » Transformation / Change
- » Product Development
- » Controls / Conduct
- » Non-Financial Risk



## Considerations

### 1. Are the appropriate quality controls in place?

It is critical to find a data source that you can trust, meaning that quality controls are in place to ensure you are receiving a fair representation of the market for comparison.

### 2. Will you get like-for-like job role comparisons?

With no reliable market offering for business management compensation data, we are regularly asked for anecdotal data to support decisions, especially late Q3 into Q4 as companies enter the annual compensation review period.

This data is indicative only, leveraging the global community network of Armstrong Wolfe for its provision. By developing this index, we will normalise these discrepancies, look across the industry, and develop well thought-out processes and systems to ensure that we are making consistent comparisons and providing reliable and accurate data.

We will work with iCOOC members to understand the industry and how jobs within business management and across the industry are structured so we can provide data and fact-based advice in the appropriate context for our members. We see sector, geographical, and reward data expertise as being of equal importance.



### 3. Will we be a partner to you?

Implementing competitive reward strategies is more than just gathering figures and statistics. Our members will get the most value out of market data if we collaborate as an industry and commit to working with us to help achieve this common goal.

By working with us and leveraging our unique position at the heart of the COO community, our members will know what roles/jobs are in high demand or not, how for example current regulatory implications and/or market dynamics may influence value and help guide our members in taking necessary actions to match their strategy and protect their human capital base.

## Considerations

### 4. Is your data safe?

All companies take great lengths to ensure employee data is kept safe and confidential, we will guarantee this safety. Safeguarding a company's private information with the right firewalls and protection is an absolute requirement.

[Note: the General Data Protection Regulation (GDPR), a regulation by which the European Parliament, the Council of the European Union, and the European Commission intends to strengthen and unify data protection for all individuals within the European Union (EU), only furthers the necessity of choosing a data source that will honour these regulations. GDPR applies to all companies processing and holding the personal data of subjects residing in the European Union, regardless of the company's location].

### 5. Will we help you manage risk?

Making the wrong compensation decision can be costly. Internal equity is at stake if you offer to pay a candidate with the right skill sets a salary or compensation that is outside the norm. Making decisions based on data helps maintain a company's internal equity, while confirming external competitiveness.

Knowledge is power, and in an environment where location dependant, you can no longer inquire about candidate's pay history, dependable data to offer objective, fact-based market advice will be key. We recognise that well thought-out reward policies are always backed by reliable data and the ability to generate a series of informed decisions around it.

Investing in the best market data will provide real returns that are indispensable for the future success of your company.

## Benefit Analysis

### Ensure Market Competitiveness:

Whether you are a global firm with thousands of employees or a regional or national company with hundreds of employees, understanding your organization's compensation position relative to the market is key.

With our planned aggregated market data index, you will gain a big and small picture and view of your organisation's market competitiveness and the ability to interactively, drill into specific business groups, functions, and areas. You will be able to use this tool to identify where your firm is above or below market, visualise opportunities to recalibrate compensation across the organisation, and analyse total spend by compensation element.

### Reward with Confidence:

Assessing your top talent's pay relative to the market empowers you to make critical compensation decisions quickly and boldly.

With our index, you will be able to create custom compensation reports for specific groups of employees. This will allow you to compare and analyse compensation elements across a range of statistics for your employees, your company, and the market.





### Working Group Participation

We will be establishing a Working Group to support and drive this initiative.

It will be important to have representation from the iCOOC membership that are headquartered in Canada, the US, the UK, continental Europe, and across Asia (Japan, Singapore and Hong Kong), for the end product to be inclusive and fully representative.

To this end, we will be requesting that the Global COO appoints and delegates the right person to attend and support this community effort.

#### Forum Dates:

- 10th August 2022
- 28th September 2022
- 9th November 2022

#### Forum Outline:

**Step 1** - define the taxonomy of business management positions. This will require sharing of positions and their categorization, but no sharing of compensation data. Regardless, an NDA pertaining to this initial stage will be required to give assurance to all of confidentiality.

**Step 2** - design of the information capture, translation and data presentation.

**Step 3** - data test/POC

**Step 4** - Market entry – iCOOC members only (phase 1)



## Contact us



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