

The challenge at LBS Career Centre

London Business School (LBS) has an international community of over 46,000 alumni and 2,000 current students, who are seeking career growth and advancement.

The LBS Career Centre exists to support these students and alumni on their path to achieving the best career outcomes and operates in a dynamic global labour market. Where the supply and demand for individual skills can be reflected in a premium being applied to an individual's market value. The Careers Team were keen to find a way for students to understand their market value in order to make good career decisions.

The challenge is often the difficulty of accessing to salary benchmarking data for individuals due to cultural and organisational conventions.

This is where The Pay Index came in - offering individualised salary benchmarking data focusing on job level, function, sector and geography. This allowed students and alumni to compare themselves to their peers, using real-time data, and receive essential information to make informed decisions.

As a secondary benefit, LBS gained real-time insights (anonymously) into the career outcomes and financial packages that our Alumni have achieved post graduation; which allows the LBS Careers Team, to offer informed market insights when guiding the career choices of other Alumni and current students at the school.

Objectives of The Pay Index / LBS project

- Reflect the international locations of the LBS students and alumni by providing instant access to global compensation insights.
- Provide real time insights on market worth for students and alumni working in a variety of sectors, roles, job levels and locations.
- Allow LBS students and alumni to compare their financial packages against the Pay Index's database for market comparison, in real time.
- Build a cost of living report to help the LBS community make informed choices on where to pursue their careers and what compromises may be required to make that move.
- Use the data gathered to enable LBS to directly quantify the value of undertaking LBS programmes such as a Sloan Masters, EMBA or MBA.
- To gradually increase insights on LBS Alumni, a way to confidentially gain a better understanding of where Alumni are based, their industry, job title and compensation package.
- To create an easy-to-use tool containing interactive reports that will help to increase the effectiveness of the LBS Careers Team when advising students and alumni on career choices.

Our Project Plan

Working through a phased approach in partnership with the Careers Team at London Business School, The Pay Index (TPI) agreed to develop, build and implement a bespoke salary benchmarking tool over a period of eight weeks. The tool was designed with three distinct user groups in mind: current students (such as the Sloan Fellows, EMBA's, MiF and MBA students), Alumni and the Careers Team.

How we made it happen

Phase 1 - The Pay Index (TPI) scoped out LBS' requirements, in particular their need for global insights of salary information across multiple industries, sectors and job functions. LBS were also keen to gather intelligence on how specific programmes (such as the Sloan Masters and MBAs) were benchmarking against the external labour market.

Phase 2 - This began with several conversations around how TPI and LBS would work together to launch and promote the TPI tool to the LBS Alumni community. It was agreed to begin with a soft launch for a small group of engaged LBS Alumni. The initial insights gained from this group would be shared as sector specific "taster" webinars in order to encourage the majority of the Alumni community to engage with the tool. For example, a webinar on salary trends in the Middle East and another on salary trends in the Energy sector.

Phase 3 - Throughout this phase TPI will continue to support LBS as its engagement with the our tool evolves. LBS leadership students and Alumni currently have access to a range of interactive reports that allows individuals to gain immediate salary benchmarks against peers, understand the market value of their skill sets if they were to move sectors / industries. It also grants them access to salary insights, to help decide what salary they would need to earn in different locations globally to maintain the same standard of living.

The knowledge provided through TPI's tool empowers LBS students and Alumni to make informed career choices, based on real-time salary insights. In an upcoming phase, a suite of new reports are due to be released providing more D&I analysis focused on ethnicity (in addition to existing gender pay reports).

Phase 4 - For the academic year 2021/22, the LBS Careers team and TPI plan on continuing the partnership. With the aim of providing real-time salary insights to the LBS community that aids people to make informed career choices, by identifying new opportunities and career trends.



Examples of the in-report TPI display

What they said...

"I found The Pay Index tool to be incredibly insightful and easy to use. I particularly appreciated the detailed functionality breaking down total compensation by type (base pay, bonus, LTIP, etc) and comparing across geography, industry, company size and years of experience.

I used the reports in The Pay Index to work with compensation teams to benchmark my negotiated compensation package. Thank you TPI for a clear and data rich tool, I will continue to use it both personally and professionally when negotiating compensation!" **Sara Brien, Sloan Masters in Leadership & Strategy**

"As a business school it's vital that our students and Alumni have access to real time salary insights that allow them to make informed career choices. TPI's tools and individualised reports helps us to do that, in a meaningful manner.

The macro insights from the LBS Alumni data is particularly valuable, as it allows us the ability to compare earning potential by sector and geography - and to constructively challenge some of the career ambitions that Alumni may have held previously" **Annette Minihan, Executive Career Coach, London Business School**

"Collaborating with London Business School's Careers & Alumni team to develop an interactive tool for both their alumni and students has been a very rewarding experience. We're delighted that it has resulted in a product that has already been so widely used." **James Rust, CEO at The Pay Index**