

Employee Compensation: Other Options

If raising wages isn't financially feasible, what are my other options?

Sometimes it's just not financially feasible to raise the compensation rates for your staff at this time. There are still a variety of ways to use compensation as a means to make employees feel valued, such as:

- **Demonstrating the full value of employees' compensation**, by [putting a dollar value to all the benefits your business provides](#) (health premiums, retirement contributions, life insurance, etc.), thereby showing the "real hourly rate" of staff members' total compensation.
- **Offering higher wages to staff based on length of tenure** at your business, rather than across-the-board wage increases.
- **Providing one-time bonuses**, which can be contingent upon their or your business's performance or consistent across your staff. The benefit of this approach is that it doesn't carry pay increases forward into the future.
- **Paying your employees with direct deposit**, which delivers benefits for both you and your staff by cutting down time, lowering costs (savings range from \$2.87– \$3.15 per check), enhancing employee convenience, and [encouraging employee savings](#). For more information on financial wellness, see the [Retirement Savings and Other Wealth-Building Strategies](#) section of the toolkit.

You may find **some solutions don't cost any money at all**: for instance, asking staff how they would like to be recognized may generate ideas around pay, but could also generate ideas around employee recognition that are low cost or free.