



Department of Management Marketing & Business Administration

November 29, 2013

Elizabeth M. Murphy, Secretary  
US Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090  
Email: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

Re: File Number S7-07-13-Dodd-Frank Act Pay Ratio Disclosure Mandate; Proposal for a Safe Harbor Disclosure Process

As an expert in strategic human resource management for the last 20 years, I am writing to you to voice my support of the proposed rule regarding the CEO Pay Ratio. I would also like to offer a suggestion for an improvement that would make this rule far more effective. The improvement is the implementation of pay ratio and management layering disclosures which would be consistent with the intent of other parts of the Dodd-Frank Act on Executive Compensation, Risk Management, and Corporate Governance.

The pay ratio disclosure rule has the potential to add value for registrants and investors and should be implemented with an eye toward achieving the Dodd-Frank Act's broader strategic corporate governance and risk management goals, as well as to provide additional compensation and organizational insights to stakeholders. If the pay ratio rule is effectively implemented, it could become a catalyst for encouraging company improvements in strategic governance analytics and processes and for enhancing risk management, innovation and sustainable performance and capital market efficiency. Hence, this addition would provide a great deal of value for a multitude of stakeholders.

As you know, research abounds in support of the proposal for internal consistency in compensation throughout a company up to and including the executive suite. As such, this information now influences the analysis used by credit rating, governance and investor service providers. For example, GMI Ratings all have incorporated executive compensation in determining sustainability ratings of the enterprise.

Given the importance of this issue, it would be prudent to include the following factors in the construction of the Safe Harbor:

- Total Full Time Employees
- Total Number of Management Layers (PEO to Front line) and cost of management

- Total Number of Managers
- PEO's Longest Accountable Performance Period
- Total Enterprise Compensation Cost
- Pay Ratios and Internal Pay Equity

This proposed addition would benefit a multitude of stakeholders through assisting in the financial sustainability of the enterprise.

I thank you for your time and consideration, and look forward to a progressive stance in this matter.

Sincerely,

Sandy Jeanquart Miles, Phd, SPHR, GPHR  
Professor of Human Resource Management  
ISO/TC 260 Human Resource Management, Chairman's Advisory Group  
ISO/TC 260 Human Resource Management, Convener, Recruitment Standard  
ISO/TC 260 Human Resource Management, Human Governance