

2018–2019

# Pay Budget and Salary Data Survey

Sponsor .....	2
Survey Participants .....	3
Regional, Industry and Company	
Size Charts .....	18
Survey Data .....	23

## Delivering the Compensation & Benefits management resources you need every day

From navigating the maze of employment law, to managing salary levels and staying competitive, to managing benefits including annual health insurance open enrollment, compensation & benefits professionals are constantly faced with challenges.

Keep your organization in compliance and your employees productive with a subscription to **Compensation.BLR.com**.

When you subscribe to **Compensation.BLR.com**, you can:

- **Compliance analysis and help:** Avoid hassles and headaches with “plain-English” employment law regulatory analysis on subjects like FMLA, FLSA, ACA and more.
- **Avoid costly legal fees and expensive consulting services:** Subscribers get answers to their compliance questions and use news, tools, and data on the site as their personal consultative tool.
- **Save Time:** Use pre-written forms & policies, job descriptions, checklists, comp & benefits calculators, and extensive plain-English legal analysis to streamline your job.
- **Daily news & analysis:** Daily coverage of federal and state legal and enforcement developments in employment law.
- **Answers from the experts:** Get personalized answers to your compensation and benefits questions from BLR’s employment law experts.
- **Become a Compensation & Benefits leader:** Learn more about what Compensation.BLR.com has to offer by checking it out for yourself! Take a FREE 14-day trial and get immediate access to tips and real-world advice for handling your most complex compensation & benefits compliance challenges.

**Save time. Save money. Stay in compliance.  
So what are you waiting for?**

See how it works at: [compsolutions.blr.com/tour](http://compsolutions.blr.com/tour)



*With Compensation.BLR.com  
at my fingertips I have all  
the compensation & benefits  
information I need, in a well-  
organized space.”*

- Kelly Miller,  
The MacIntosh Company

# About this Survey

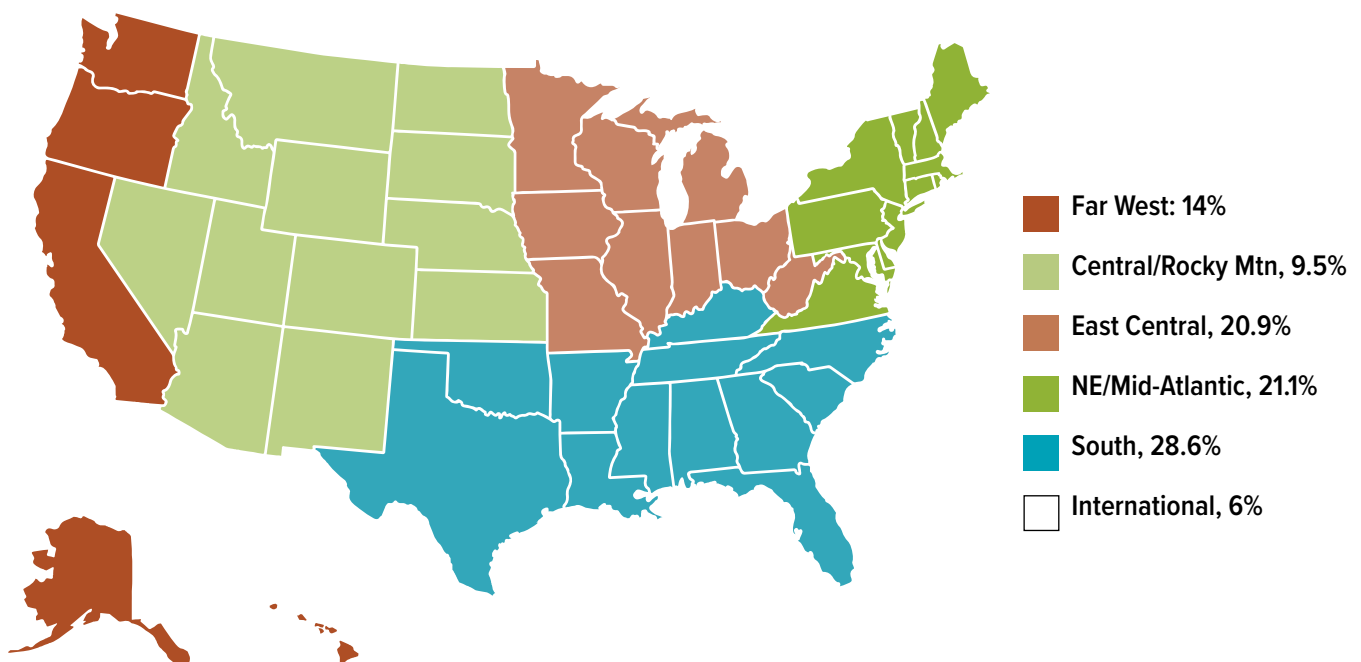
Each year BLR®—Business & Legal Resources (BLR) conducts a nationwide survey to learn about pay practices throughout the country. On average, hundreds of individuals participate in the surveys. The data from each survey is aggregated and then shared with participants and posted on BLR websites.

## Survey Participants

A total of 248 individuals participated in this survey, which was conducted in May 2018. Of those who identified themselves, 54.9% are private for-profit, 22.6% are private not-for-profit, 11.3% are public corporations, and 11.3% are government entities.

Companies with 1–250 employees are represented by 54.4% of survey participants, and organizations with 251–500 workers account for 13.7%. Organizations with 501–1,000 employees are represented by 8% of survey participants; those with 1,001–5,000 are represented by 16.9%; and organizations with more than 5,000 employees account for 6.8% of survey participants.

### Survey Demographic Areas



One-third (33%) of participants are in various service industries; 10.5% identify as in health care and social assistance; 26.2% are in agriculture, forestry, construction, manufacturing, or mining; 6.9% are in wholesale, retail, transportation, or warehousing; 6% are in real estate or utilities; and 6% are in public administration.

Staff-level employees account for 18% of the survey participants who self-identified. Supervisors account for 2.5%, and managers account for 34%. Director-level employees make up 35%, and vice president or higher finish out the field at 11%.

---

# 2018

## Merit increases

This year's BLR Pay Budget and Variable Pay Survey is practically a replay of last year with 18.1% (slightly down from 18.6% last year and comparable to 17.9% the year before) of employers awarding merit increases of up to 2.5% (averaged across all employee types). And, 51% of employers (up from 45.1% last year and 41.8% the previous year) are awarding increases between 2.51% and 5%. Another 4% (up from 2.1% last year and nearly equal to 4.1% the year before) are awarding increases from 5.01% to 10% of base pay. At 1.7%, the percentage of survey participants awarding merit increases of more than 10% rises only slightly from the previous 2 years' 1.6%.

A closer look at the data shows that 19.2% of employers awarded merit increases of up to 2.5% to senior management; 16.6% awarded as much to employees at the management level; 17.7% awarded this amount to nonmanagement salaried exempt employees; 18.4% awarded the same to hourly office employees; and 19% awarded up to 2.5% of base pay as an increase to hourly nonoffice employees.

At an average of 29.3% across all employee types, 2.5–3% is the most commonly awarded amount among employers awarding merit increases in 2018.

Continuing the downward trend, on average across all employee types, just one quarter of respondents (25.4%) did not award merit increases in 2018. (That's a decrease from 29.2% of respondents last year, a number that has steadily declined since 2013). The further breakdown of this data shows that an average of 9% specifically reported awarding no merit increases in 2018, while 16.4% selected N/A as their response.

A peek at the maximum increase tied to a performance scale of 1–5 shows that a significant 32.9% (up from 20.1% last year) of survey participants awarded a pay increase of 2.51% to 3% for a score of 2.01–3 (meets requirements). Another 21.5% awarded that amount for a score of 3.01–4 (exceeds

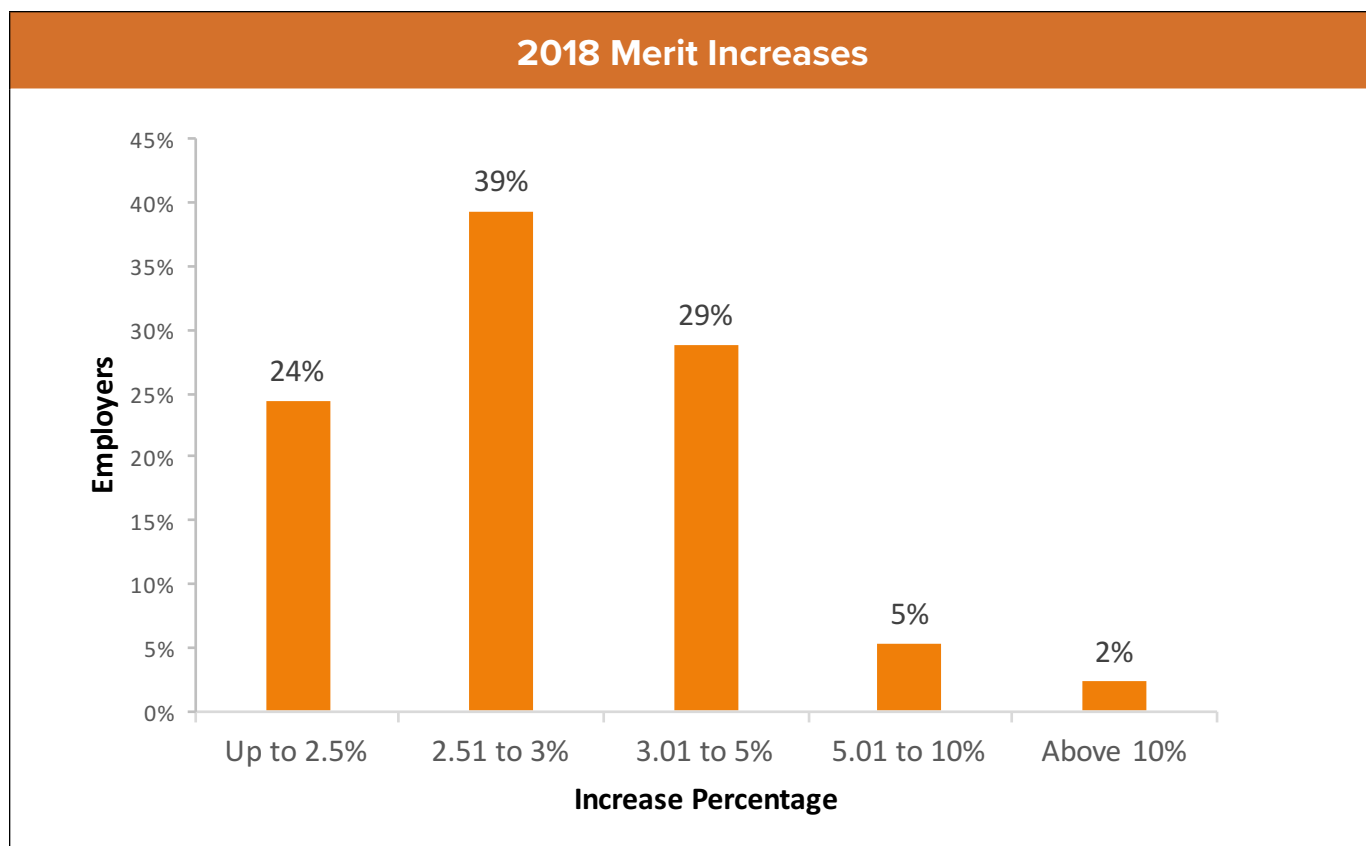
requirements), while an additional 10.3% awarded that amount for a score of 4.01–5 (far exceeds requirements). It is notable that the combined 31.8% of respondents represented in these latter two groups nearly tripled last year’s 11.8%.

At the other end of the scale, 85.3% (slightly down from 86.9% last year) of survey participants did not reward employees who failed to meet the requirements of their jobs, and 52.7% (down from 57.2% last year) didn’t reward employees needing improvement. Of those who did, however, 11.3% awarded pay increases of up to 2.5% percent of base pay for employees who failed to meet requirements, and interestingly, 43% still awarded pay increases of up to 2.5% to employees whose performance “needs improvement.” (This is up from 29.4% last year).

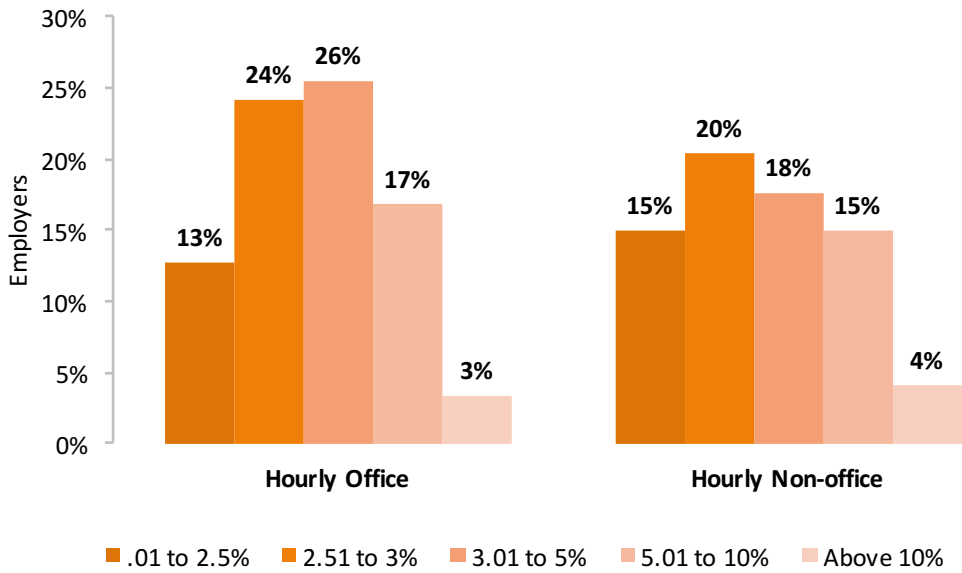
### General increases (not tied to performance)

General increases in 2018 are comparable to merit increases with 20% of employers (on average) awarding up to 2.5% and 29.9% awarding increases of 2.51% to 5%. Another 2.6% are awarding increases of 5.01% to 10% of base pay and 0.5% are handing out raises above 10%.

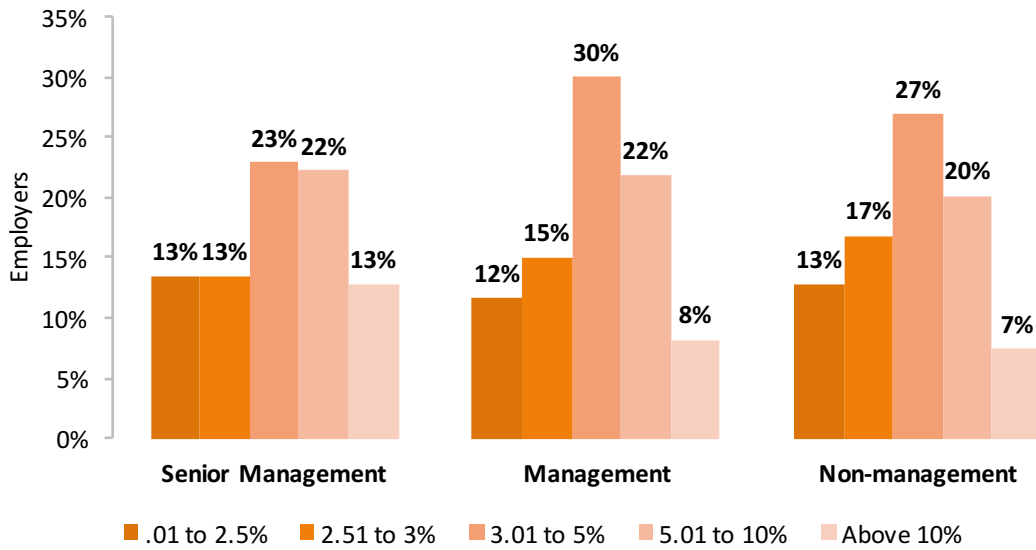
As for the most commonly awarded amount, a general increase of .01% to 2.5% has a slight lead over 2.5% to 3% pay increases, leaving 3% to 5% pay increases coming in a distant third. The breakdown of employee types shows 18.3% of employers awarded general increases of up to 2.5% to senior management; 20% awarded that amount to management; 21% awarded it to



## 2018 Non-Exempt Individual Increases



## 2018 Exempt Individual Increases



nonmanagement salaried exempt employees; 20.4% awarded the same to hourly office employees; and 20.2% awarded up to 2.5% of base pay as an increase to hourly nonoffice employees.

On average, across all employee types, 47% of responding employers did not offer general increases in 2018. The breakdown on that number shows that 11.8% awarded \$0 and 35.2% selected N/A.

### **Maximum individual increases**

On average, across all employee types, 17.9% awarded 2.51% to 3% as their maximum individual increase, while 24.6% awarded between 3.01% and 5%. Another 7.1%, across all employee groups, awarded increases of more than 10% of base pay. Pay raises of more than 10% were awarded to senior management at 12.8% of survey participant organizations, and 8.2% awarded that amount to management-level positions.

At 24.2% and 20.4%, respectively, hourly office and hourly nonoffice were the largest employee groups receiving increases of 2.51% to 3% and, at 29.9% and 26.9%, respectively, management-level and nonmanagement exempt employees are the largest groups receiving 3.01% to 5% increases.

### **Rate range adjustments**

On average, 23.8% of employers responding to our survey made adjustments of 2.5% or less to their exempt employee rate ranges, and 9% made adjustments of 2.51% to 5% to that same group. Also, 2.49% made adjustments of 5% to 10%, while an average of 0.9% adjusted their exempt ranges by 10% or more. An average of 54.8% (17.7% awarded \$0 and 37.1% selected N/A) made no adjustment to exempt salary ranges in 2018.

For hourly workers, an average of 23.1% of responding employers made rate range adjustments of 2.5% or less, and 8.8% made adjustments of 2.51% to 5%, while 1.3% increased the rate range by 5% to 10%. A scant 0.3% made an adjustment above 10% and 57.7% (18% awarded \$0 and 39.7% selected N/A) made no adjustment to their hourly office employees' rate ranges in 2018.

### **Biggest challenge**

When asked to describe the biggest challenge in determining 2018 salary increases, 36.8% (nearly equal to last year's 36.9%) cited sales and budget constraints as the issue. Several other challenges were also noted, including:

- Administering compensation: 17%
- A competitive salary market: 10.4%
- Management approval/buy-in: 8.5%

- Finding usable market data: 8.5%
- Uncertain economy/revenue: 5.7%
- Maintaining internal equity: 2.9%
- Subjectivity of performance management: 2.8%
- Increasing benefits costs: 2.8%
- Higher minimum wage: 1.9%
- Increasing cost of living adjustment (COLA): 1.9%

## **Bonuses**

On average, over two thirds of survey respondents (67.6%) paid bonuses to their exempt employees in 2018 (a sizable increase over last year's 50.4%). Of bonuses paid, 22.6% (up from 18.4% last year) offered 5% or less, while 45% awarded bonuses greater than 5%. In comparison, 41.6% of those surveyed (up from 31.5% last year) awarded bonuses to their hourly workers, with 29.2% offering 5% or less and 12.4% awarding amounts above 5% of base pay.

A closer look at the details reveals that 41.4% (up from 30.8% last year) gave their senior management team members bonuses above 10% of base pay—a whopping 19% of these were greater than 30%! Additionally, 33% (up again from 21.2% last year) awarded the remainder of their management team members at that level, while 17% (twice as many as last year's 8.6%) rewarded their nonmanagement exempt employees with bonuses at the same level.

Only 4.4% awarded their hourly office employees bonuses above 10%, though this is still an increase over last year's 3.4%. The same percentage—4.4%—of survey participants who answered the question awarded their hourly nonoffice employees bonuses above 10% of their base pay.

Over half of respondents—51.2%, and a sizable increase over last year's 40.4%—awarded bonuses in addition to salary increases. 18.7% awarded some of both (in addition to and instead of base pay) depending on the employee's pay type.

Though the vast majority (77.9%) didn't provide them in 2018, lump sum payments are an option for some employers, with 16.2% offering up to 5% of base pay and 2.1% offering from 5.01% to 10% on average across all employee groups.



---

# 2019

## **Merit increases**

At survey time, only 7% (down from 12.5% last year) of survey participants who answered the question had decided and/or approved their pay budgets for 2019, leaving 93% undecided as of the end of May. Among employers planning merit increases for 2019, the most common amount is 2.5% to 3% across all employee types.

Of those that have decided, on average across all employee types, 16% (up from 10% last year) of employers expect to offer 2019 merit increases of up to 2.5%, and 41.7% plan to offer merit increases of 2.5% to 5%. An average of 3.5% plan merit increases from 5% to 10%, and a scant 0.2% plan to go over 10%. An average of 37.8% (down from 50% last year) plan no increase (7.8% to award 0%, and 30.8% selected N/A).

The breakdown of employee types shows 15.4% of employers plan merit increases of up to 2.5% for senior management, the same amount (15.4%) plan that amount for management, 16.5% plan it for nonmanagement salaried exempt employees, 17.7% plan the same for hourly office employees, and 15.6% plan to award up to 2.5% of base pay as an increase to hourly nonoffice employees.

## **General increases (not tied to performance)**

Of those that had decided their pay budgets for 2019, on average across all employee types, 12.5% (down from 13.6% last year) of the employers expect to award general increases of up to 2.5%, 25% (up from 17.5% last year) plan to offer general increases of 2.5% to 5%, 1.6% plan to award from 5% to 10%, and 0.4% plan to award general increases of above 10%.

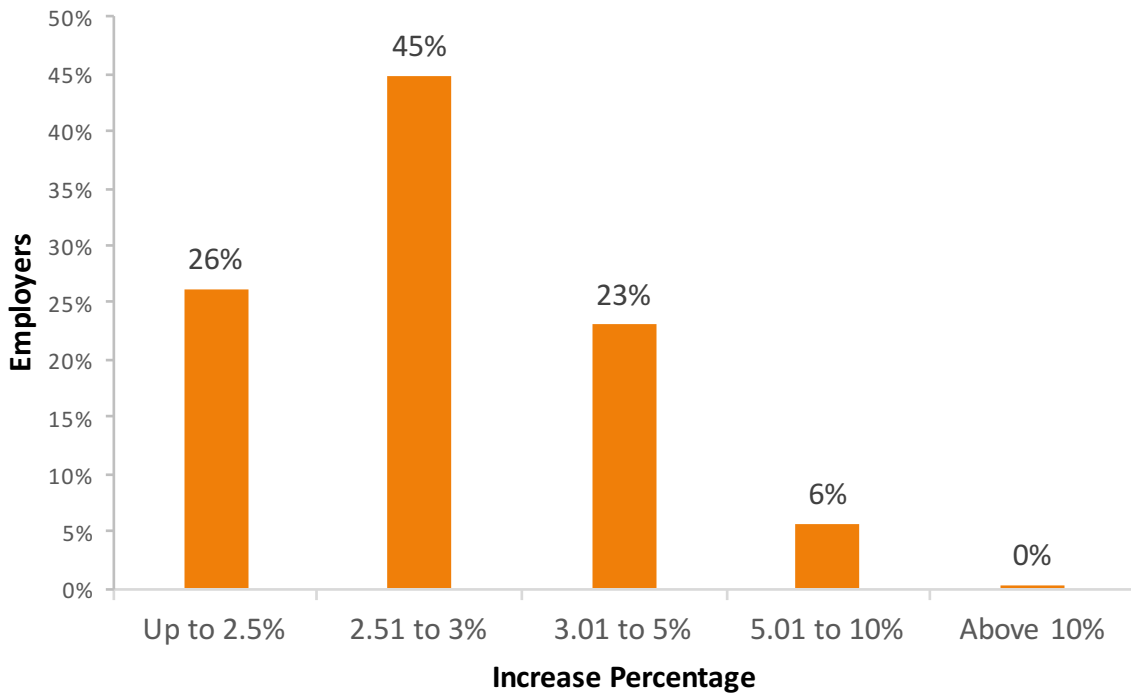
The breakdown of employee types shows 11.4% of employers plan merit increases of up to 2.5% to senior management, management, and nonmanagement exempt employees; 13.2% plan the same for hourly office employees; and 14.1% plan to award up to 2.5% of base pay as a general increase to hourly nonoffice employees.

Among employers planning general increases for 2019, the most common amount is 2.51% to 3.0% for all employee groups (senior management, management, exempt nonmanagement, and hourly employees). At 49.2%, a little under one-half of employers don't provide general increases, and 11.5% provide them but have budgeted 0% for 2019.

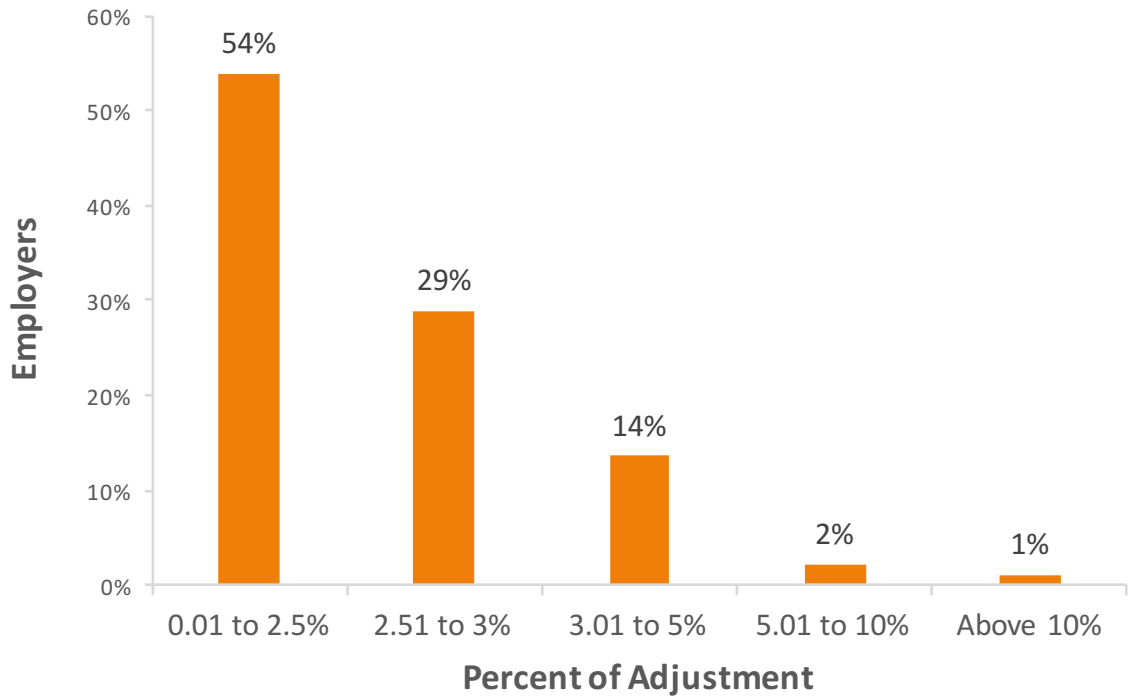
## **Maximum individual increases**

Approximately 42% of survey participants indicated their plans for maximum individual increases in 2019. Of that group, on average across all employee types, 13.5% plan to award a maximum

## 2019 Merit Increases



## 2019 Rate Range Adjustment



increase of up to 2.5%, and 14% plan a maximum of 2.51% to 3% as their individual increase, while an average of 22.3% plan individual increases of 3% to 5%. Employers planning increases of 5.01% to 10% of base pay have doubled (13.5% compared to last year's 6%).

Another 3.5% of survey participants are planning individual increases of more than 10% of base pay. At 8.74%, senior management is the largest employee group receiving individual increases of more than 10%. At 26.5%, the management employees group is the largest receiving individual increases of 3.01% to 5%, while hourly nonoffice employees represent the largest group—15.7%—receiving individual increases of 2.51% to 3%.

## **Rate range adjustments**

Of the survey participants answering the question, on average across all employee types, 64.7% plan no rate range adjustments for 2019, 19% expect to increase their rate ranges by up to 2.5%, 15% expect to make adjustments of 2.51% to 5%, 0.59% plan adjustments of 5.01% to 10%, and 0.4% plan adjustments above 10%. For those planning no adjustment in 2018, an average (across all employee types) of 11.4% plan zero adjustment, and 53.3% selected N/A.

## **Bonuses**

A growing number (40%) of survey participants provided information regarding their plans for bonuses in 2019.

Of those who did, on average across all employee types, 7.9% plan to offer bonuses of up to 2.5% of base pay, and 9.1% plan to offer 2.51% to 5%. Another 10.3% plan bonus amounts in 2019 of 5.01% to 10%, and bonus amounts of 10.01% to 25% are planned for an average of 11.8% of the survey participants who answered this question.

Senior management will receive bonuses of 10.01% to 30% of base pay for 20.4%, and another 17.4% (nearly twice as many as last year's 9.2%) will receive 30% or more. Only 1.9% reported plans to award bonuses in lieu of pay increases, while 43.8% will award bonuses in addition to salary increases, and 23.8% plan some of both depending on employee type.

Though a whopping 79.2% have no plans to offer them in 2019, lump sum payments are on deck for some employers, with 15.3% planning to offer up to 5% of base pay and 2.2% planning from 5.01% to 10%, on average across all employee groups.

---

# Pay Practices

The factors used to establish a salary increase budget/pool include company history (10.6%), company profit (48.8%), salary increase surveys (23.9%), the consumer price index (2.6%), and inflation rate (3.5%). Employee-related factors that affect salary increases include merit for 53.1%, job classification for 3.4%, and department or division for 0.9%.

The amount of bonus or lump sum payment is determined by individual performance for 37.4%, given across the board for 14.1%, a combination of individual performance and across the board for 20.2%, company profit for 30.3%, and company performance against budget for 30.3%.

When it comes to assigning a salary range for a new position, our survey participants use a variety of methods.

For example, 60.5% compare the new position to other positions within the company, and 31.1% research competitors' wages. Also, 51.3% rely on pay rate data within their local market, while 58.8% also research industry and position salary data. Fewer (14.3%) of this year's survey participants consider the candidate's previous pay level, showing a slowly declining trend (16.5% last year).

Though 19.7% (practically the same as last year's 19.9%) of survey participants play no role in setting raises, HR is involved in many aspects of the salary increase process. For example, 45% of survey participants who answered this question help supervisors with tough pay decisions, and 49% play a major role in deciding the companywide level for raises. Each department's raises are reviewed by 37%, and 26.1% approve each employee's salary increase.

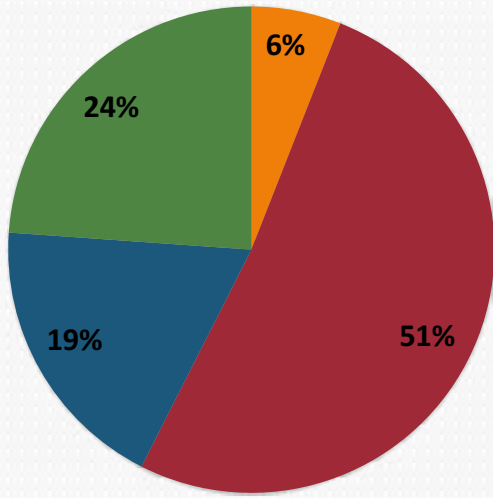
Each employee's raise is determined by 13.3% of participants, and 17.7% review individual raises but have no veto power. For 16.5%, HR sets the salary increase pool amount for managers to use at their discretion.

To address employee retention problems, 54% (down from 64.3% last year) evaluate pay scale and rate range levels to ensure market competitiveness, and 28.4% evaluate employees for flight risk, addressing pay issues at the individual employee level. Specifically evaluating high-potential employees for flight risk is the norm for 28.4%. Of survey participants, 15.6% are fortunate enough to report no compensation-related problems (slightly up from 14.6% last year).

## **2019 challenges**

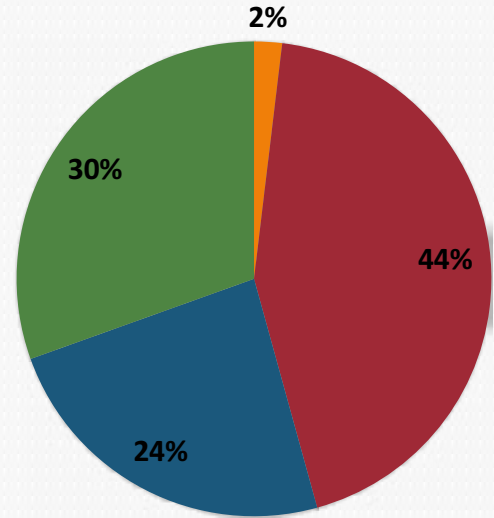
Several wage-related issues are on the horizon for survey participants at the end of 2018. Trying to keep up with competitors' wage rates is a big issue for 44.1%, while budget constraints are the primary concern for 29.4%.

### 2018 Bonuses



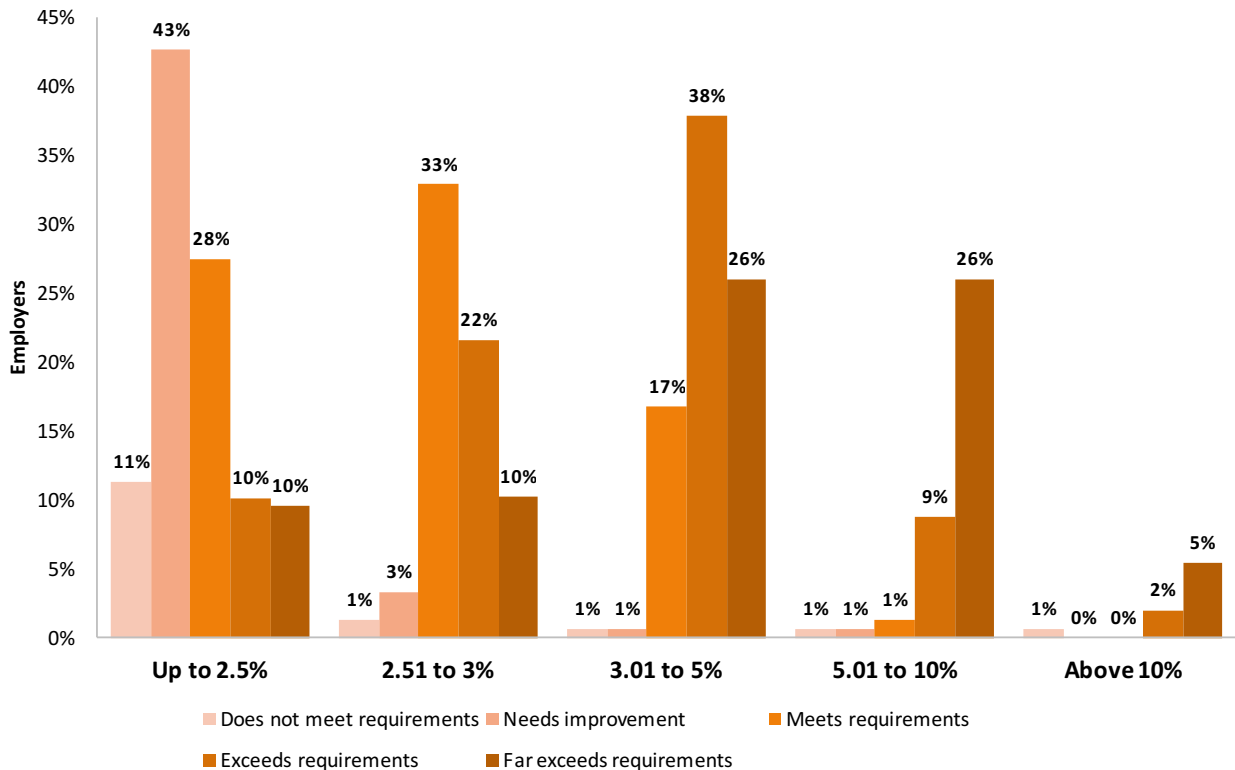
- Given instead of base pay increases
- Given in addition to base pay increases
- Some of both depending on EE type
- Other

### 2019 Bonuses



- Given instead of base pay increases
- In addition to base pay increases
- Some of both depending on EE type
- Other

### Merit Increase by Performance Level



Last year, compensation administration was a concern for 16.7%, but this year 23.5% cite this as their biggest challenge. Few respondents cited increasing costs, whether in minimum wage rates or benefits costs, as their primary challenge for 2019. Just 1.5% were troubled by inflation above all other issues. (Last year 5.1% cited increasing minimum wage rates as the top concern, while 2.9% cited benefits costs.)

# Variable/Incentive Pay

## Types of Variable Pay

Down from 59.2% last year, just under one-third (30.1%) of survey participants who answered the question offer some form of variable pay. Of those who do, individual short-term incentives (less than 1 year) are offered by 50.6% of survey participants who responded to the question, and 35.1% provide long-term incentives (1 year or longer) as well. Companywide short-term incentives are an option for 31.2%, and long-term variable pay is offered by 22.1%.

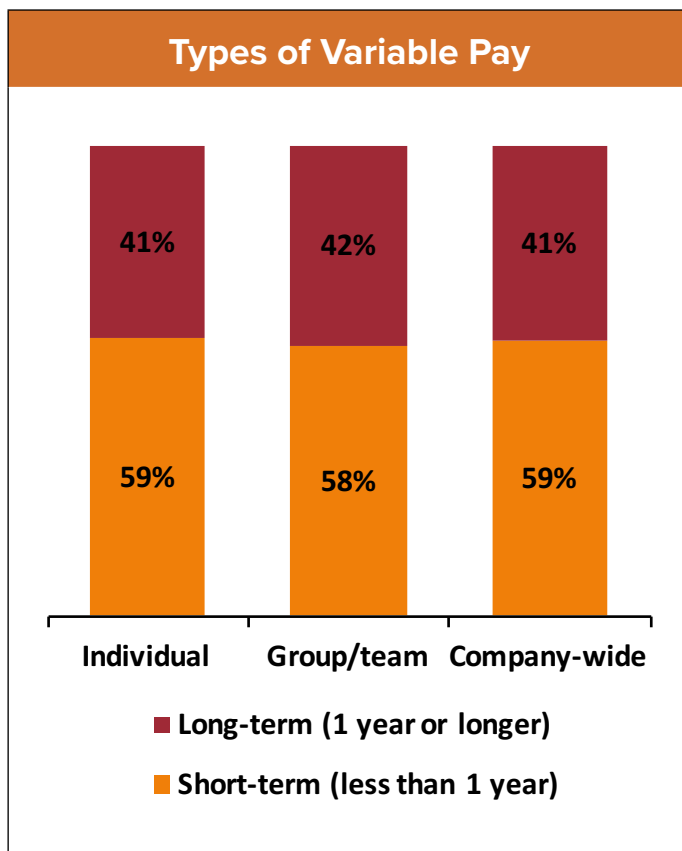
When it comes to group/team short- and long-term incentives, 42.9% of respondents who answered the question offer incentives based on group or team performance (24.7% offer short-

term incentives, and 18.2% provide long-term incentives).

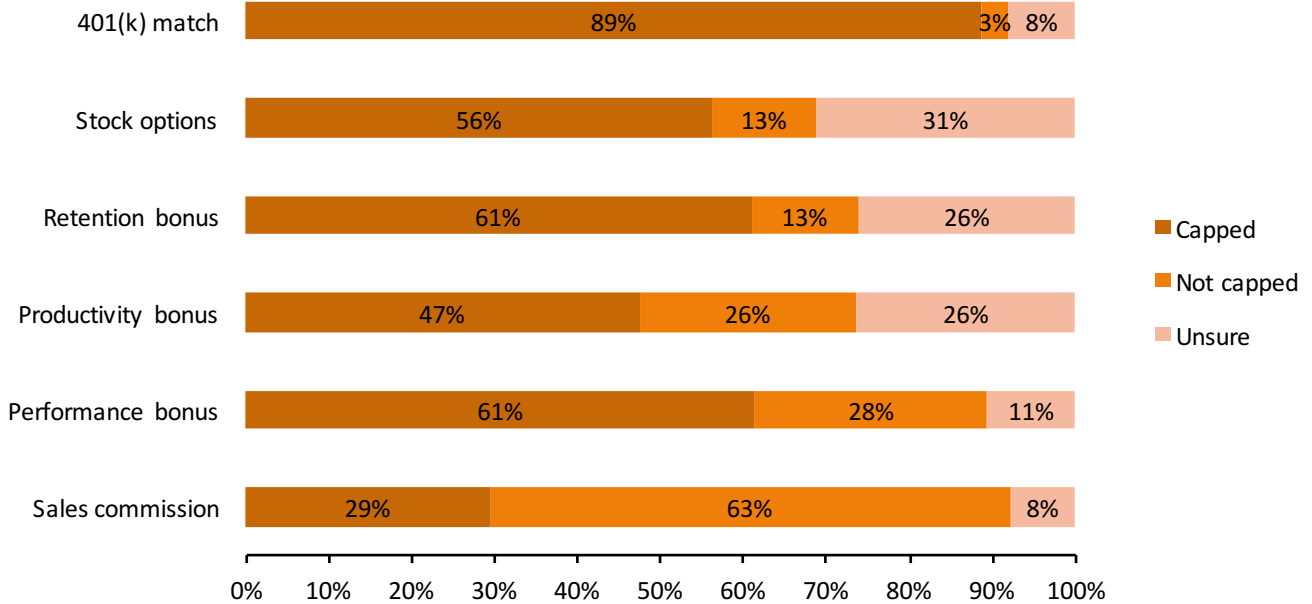
The most commonly offered form of variable pay for nonexempt employees is the 401(k) match, followed by the referral bonus, recognition award, and performance bonus. For exempt employees, the most common is the sales commission, closely followed by the performance bonus, then the sign-on bonus, with the 401(k) match rounding out the top four.

## Objectives

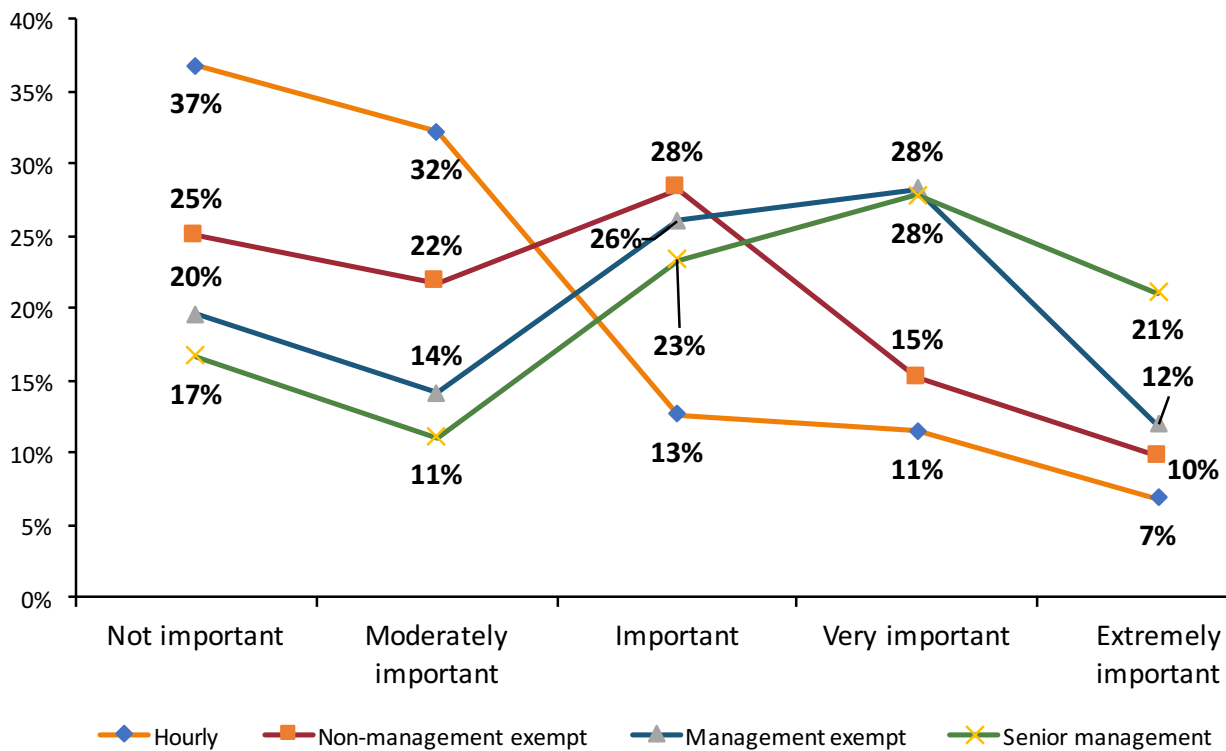
Previous surveys have revealed that one of the most important reasons employers provide variable pay is to recognize employee contributions and improve individual performance/productivity.



## Variable Pay Plans with Cap on Payout



## Importance of Variable Pay for Recruiting and Retention



The higher the employee level, the more important variable pay becomes. For example, when asked how important variable pay is for recruiting and retaining talent, 63.2% indicate it's moderately to extremely important for finding and keeping hourly (nonexempt) employees on board. However, three-quarters of respondents (exactly 75%) consider it important for recruiting and retaining nonmanagement exempt employees. Continuing the upward trend, 80.4% consider variable pay important for recruiting and retaining management employees, while 83.3% find it necessary for senior management.

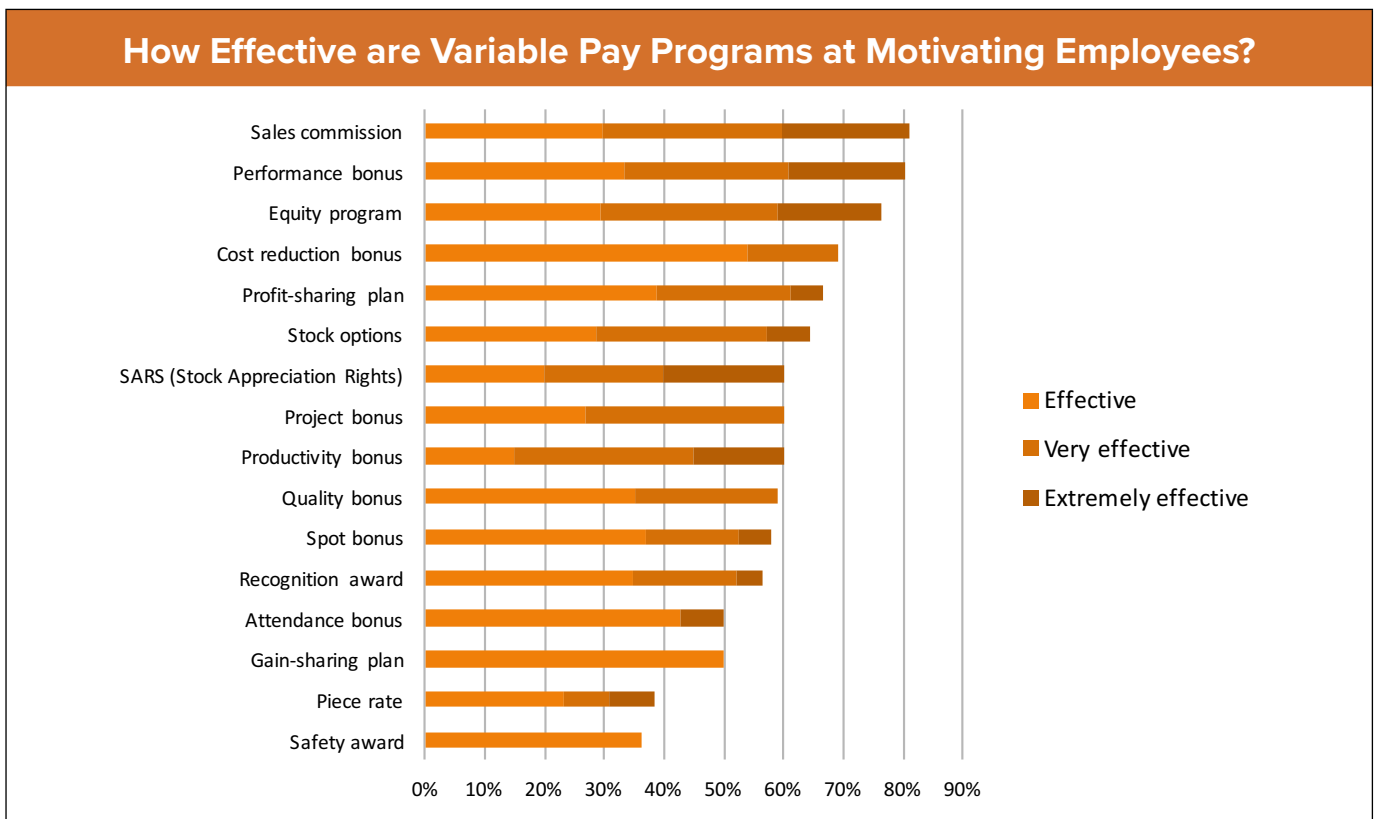
While sales commissions topped the list of “very effective” variable pay types last year, this year sales commissions were tied with performance bonuses.

Performance bonuses also top the list of variable pay types that are “effective” at motivating employees to achieve higher levels of performance, followed by sales commissions and recognition awards.

### Plan administration

Senior management has primary responsibility for designing and implementing variable pay plans for 37.5%, the HR/Compensation department carries that load for 23.2%, and the management team is involved for 8%.

Updates to variable pay plans occurred within the last year for 44.2% and within the last 2 years for



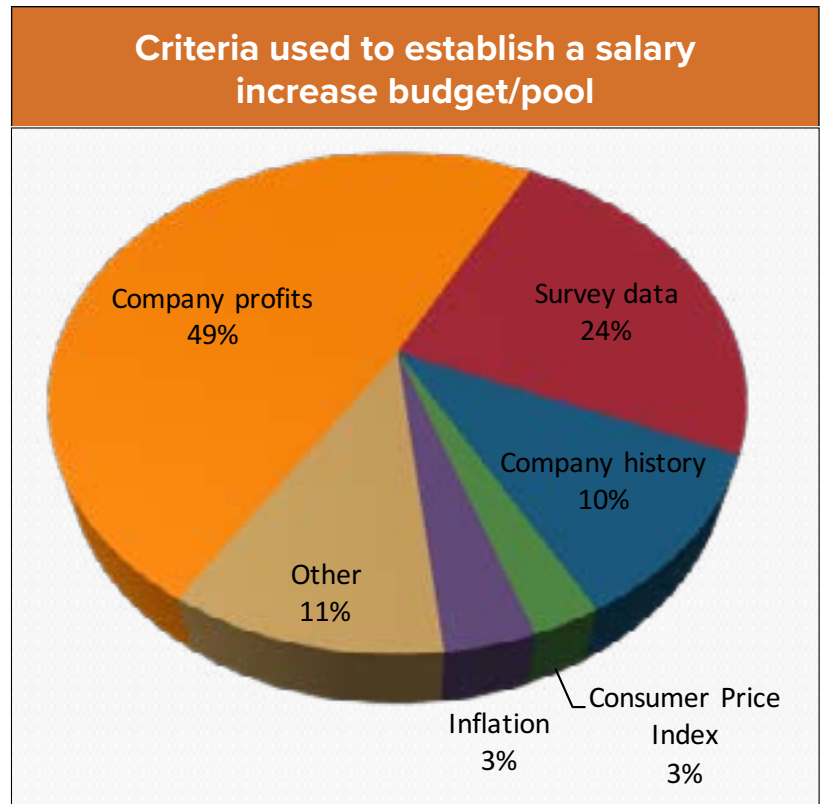


23.3%. Plans were updated within the last 5 years for 18.6%, and 12.8% are working with plans that have never been updated.

Effectiveness of variable pay plans is measured via an informal gathering of employee opinion for 10.3% and formal employee survey for 8.3%. Employee productivity metrics are the yardstick for 6.1% of survey participants, while 1%, a notable decline from last year's 5.9%, use employee turnover metrics.

Surprisingly, 22.7% do not measure the effectiveness of their variable pay plans, though this percentage has gone down since last year (25%).

Additional measurements used include organization operating metrics (16.5%) and profit/loss metrics (15.6%).



### Plan payout

When offering variable pay components, some employers manage the potential cost of such plans using caps. Participants were asked, where applicable, to indicate whether they have adopted a cap to the amount employees can be awarded under given plans.

For example, of those with applicable plans, it's a highly common practice to cap 401(k) match awards (88.7% do so). Performance bonuses are capped by 61.4% of those who offer them, while productivity bonuses are capped by 47.4%. Profit-sharing plans are capped by two-thirds of those who offer them (66.7%). Retention bonuses, (60.8%), stock options (56.3%), and quality bonuses (53.3%) are also capped, though fewer employers cap sales commissions (29.4%).

(Note that not all respondents offer each type of plan, so these percentages reflect the number of respondents who have adopted these plans *and* deliberately considered whether to cap each award type).

Additionally, some level of goal achievement is required before payout is made for most variable pay plans. For performance bonuses, 100% of goal achievement is required by 35.9% (up from 24.5% last year), 75% to 99% achievement is required by 35.9% (up from 24.5% last year), and a goal achievement of less than 75% is required before payout is made for 15.4%. Sales commissions paint

a similar picture, with 100% of goal achievement required by 25% (up from 15.3% last year), 75% to 99% achievement required by 33.4% (up from 13.3%), and a goal achievement of less than 75% is required before payout is made for 30.6% (also up from 17.3% last year).

Incentive/bonus payout is based on a percentage of base pay tied to employee level for 35.6% and to a mixture of fixed amount and percentage of base pay, both tied to employee level, for 16.7%. Payout is a mixture of the same fixed amount and percentage of base pay regardless of employee level for 5.6%.

Another 7.8% pay a fixed amount based solely on employee level.

---

## Region, Industry, and Company Size Charts

The charts on the following pages reflect average merit and general salary increases for exempt and nonexempt employees awarded in 2018 and planned for 2019. Multiple demographic slices are provided, including region, industry, and company size.

The regions reported are organized as follows:

- Central/Rocky Mountain/Southwest: AZ, CO, ID, KS, MT, ND, NE, NM, NV, SD, UT, WY
- East Central: IA, IL, IN, MI, MN, MO, OH, WI, WV
- Far West: AK, CA, HI, OR, WA
- Northeast/Mid-Atlantic: CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT
- South: AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX

A comparison of this year's data to last year's data shows that, nationally, survey participants awarded exempt employees merit increases at an average of 3.03% in 2017 and planned to award an average of 3.03% for 2018, as well. Once 2018 was underway, exempt employees actually received an average of 3.55%, slightly higher than the projected amount. Merit increase for exempt employees are projected for 2019 at an average of 3.11%, a very slight decrease from last year.

A peek at the national data for nonexempt employees reveals a similar pattern. Merit increases were at an average of 2.73% for 2017 and planned to be an average of 2.78% for 2018. Once the data was tallied, 2018 merit increases for nonexempt employees were nearly right on target, at 2.79%. Merit increases for nonexempt employees are projected to decline slightly in 2019, at an average of 2.69%.

## Regional Increases for 2018 & Planned for 2019

	Merit Increases				General Increases			
	2018 Actual		2019 Planned		2018 Actual		2019 Planned	
	Count	Average Income	Count	Average Income	Count	Average Income	Count	Average Income
<b>National</b>								
Sr. Management	120	4	67	3.34	76	3.23	40	3.45
Management	117	3.52	66	3.07	78	2.79	40	2.73
Non-management Exempt	117	3.06	66	2.78	79	2.63	39	2.67
Hourly Office	112	2.88	61	2.66	78	2.65	36	2.48
Hourly Non-Office	96	2.71	54	2.72	70	2.52	37	2.32
<b>Central/Rocky Mtn./Southwest</b>								
Sr. Management	16	3.41	9	3.14	11	2.8	7	3.08
Management	14	3.38	8	3.22	9	3.01	6	3.17
Non-management Exempt	14	3.29	8	3.07	9	2.87	6	3.17
Hourly Office	14	3.11	8	3.22	10	2.58	6	3.17
Hourly Non-Office	12	3.28	6	3.38	10	2.58	6	3.17
<b>East Central</b>								
Sr. Management	30	3.21	20	2.26	16	3.18	8	2.94
Management	30	3.34	20	2.26	17	2.49	9	2.37
Non-management Exempt	29	2.93	20	2.33	16	2.49	9	2.37
Hourly Office	31	2.64	20	2.26	17	2.03	9	2.23
Hourly Non-Office	25	2.57	16	2.32	13	2.14	9	2.23
<b>Far West</b>								
Sr. Management	17	5.48	10	4.76	10	5.91	5	3.96
Management	16	3.68	10	3.56	9	3.34	5	2.71
Non-management Exempt	15	3.41	9	3.28	9	2.98	4	3.07
Hourly Office	15	3.22	9	3.01	9	2.53	4	2.38
Hourly Non-Office	12	3.26	7	3.08	8	2.51	4	2.38
<b>Northeast/Mid-Atlantic</b>								
Sr. Management	28	4.15	14	4.43	19	2.82	11	3.44
Management	27	3.34	13	3.72	21	2.52	12	2.53
Non-management Exempt	28	2.61	14	2.76	24	2.37	11	2.19
Hourly Office	21	2.4	11	2.21	20	3.19	9	1.92
Hourly Non-Office	20	2.37	12	2.76	19	2.76	10	2.01
<b>South</b>								
Sr. Management	28	4.18	13	3.02	19	2.56	8	4.26
Management	29	3.88	14	3.34	21	2.99	7	3.4
Non-management Exempt	30	3.32	14	3.06	20	2.81	8	3.29
Hourly Office	30	3.17	12	3.21	21	2.71	7	3.18
Hourly Non-Office	26	2.61	12	2.82	19	2.49	7	2.29

## Industry Merit and General Increases in 2018

	Exempt Employees				Nonexempt Employees			
	Count	Merit	Count	General	Count	Merit	Count	General
Accommodation, Food Services	5	3.36	5	3.96	3	1.26	3	1.76
Administrative and Support Services	10	2.28	6	1.26	5	2.16	1	1.26
Agriculture, Forestry, Fishing, and Hunting	6	3.38	3	1.26	4	3.38	2	1.26
Arts, Entertainment, and Recreation	12	2.13	9	1.92	6	2.26	4	2.01
Construction	8	3.38	8	1.82	6	3.17	6	1.76
Educational Services	0	N/A	6	3.38	0	N/A	4	2.76
Finance and Insurance	32	4.68	15	4.21	14	3.08	11	4.41
Health Care and Social Assistance	36	2.73	19	2.47	24	1.98	14	2.18
Information (Media, Data, Telecommunication)	5	2.96	5	2.46	2	2.76	2	2.76
Management of Companies and Enterprises	3	8.84	3	8.84	2	3.38	2	2.01
Manufacturing	90	3.58	44	2.96	58	2.76	30	2.37
Mining, Quarrying, and Oil and Gas Extraction	0	N/A	0	N/A	0	N/A	0	N/A
Other Services (except Public Administration)	41	3.65	32	3.01	21	3.53	22	2.71
Professional, Scientific, and Technical Services	40	3.27	30	3.3	22	3.21	12	3.59
Public Administration	28	3.59	28	2.08	18	2.53	19	2.1
Real Estate and Rental and Leasing	9	7.76	6	2.96	3	3.17	4	2.76
Retail Trade	0	N/A	3	1.26	0	N/A	2	1.26
Transportation and Warehousing	6	3.38	9	3.98	4	3.38	6	3.38
Utilities	18	3.66	3	3.59	11	3.44	2	2.76
Waste Management/Remediation Services	0	N/A	0	N/A	0	N/A	0	N/A
Wholesale Trade	11	1.8	2	1.26	7	1.9	2	1.26

## Industry Merit and General Increases in 2019

	Exempt Employees				Nonexempt Employees			
	Count	Merit	Count	General	Count	Merit	Count	General
Accommodation, Food Services	0	N/A	3	2.76	0	N/A	2	2.76
Administrative and Support Services	3	2.76	2	2.01	1	2.76	0	N/A
Agriculture, Forestry, Fishing, and Hunting	0	N/A	0	N/A	0	N/A	0	N/A
Arts, Entertainment, and Recreation	9	2.42	6	2.46	4	2.76	2	2.76
Construction	3	4.01	3	2.76	2	4.01	2	2.76
Educational Services	3	2.76	3	2.76	2	2.76	2	2.76
Finance and Insurance	15	4.34	12	3.86	5	4.21	7	3.79
Health Care and Social Assistance	30	3.27	20	3.51	19	2.31	11	2.35
Information (Media, Data, Telecommunication)	3	3.59	3	2.76	2	2.76	2	2.76
Management of Companies and Enterprises	0	N/A	0	N/A	0	N/A	0	N/A
Manufacturing	51	3.04	23	3.87	33	2.85	16	2.16
Mining, Quarrying, and Oil and Gas Extraction	0	N/A	0	N/A	0	N/A	0	N/A
Other Services (except Public Administration)	17	2.92	5	2.76	9	2.42	4	2.76
Professional, Scientific, and Technical Services	23	4.28	15	3.42	11	3.14	7	2.68
Public Administration	15	1.81	18	1.26	10	1.81	12	1.26
Real Estate and Rental and Leasing	6	2.96	3	3.17	3	3.17	2	2.76
Retail Trade	3	1.26	3	1.26	2	1.26	2	1.26
Transportation and Warehousing	3	4.01	3	4.01	2	4.01	2	4.01
Utilities	9	2.76	0	N/A	5	2.76	0	N/A
Waste Management/Remediation Services	0	N/A	0	N/A	0	N/A	0	N/A
Wholesale Trade	9	1.76	0	N/A	5	1.86	0	N/A

## Company Size Merit and General Increases in 2018

	Exempt Employees				Nonexempt Employees			
	Count	Merit	Count	General	Count	Merit	Count	General
1 to 50 Employees	59	3.29	41	2.6	32	3.17	23	2.92
51 to 100	55	3.71	47	3.2	29	2.85	31	3.21
101 to 250	54	3.93	46	2.71	29	2.65	27	2.09
251 to 500	62	4.28	30	3.26	37	3.11	20	2.56
501 to 1000	32	2.49	19	2.41	21	2.41	13	2.29
1001 to 5000	67	3.12	42	3.21	44	2.69	29	2.31
5001 to 7500	18	2.96	3	2.17	11	2.07	2	1.26
7501 to 10000	10	5.48	5	3.21	5	2.96	3	3.09
10,000 +	3	2.76	6	1.26	2	2.76	N/A	N/A

## Company Size Merit and General Increases in 2019

	Exempt Employees				Nonexempt Employees			
	Count	Merit	Count	General	Count	Merit	Count	General
1 to 50 Employees	28	2.97	16	2.47	13	3.04	8	2.57
51 to 100	30	4.16	31	4.92	15	3.04	18	3.19
101 to 250	25	3.42	22	2.96	13	2.91	12	2.26
251 to 500	36	3.68	18	2.21	22	3.02	12	2.21
501 to 1000	12	1.63	9	2.76	9	1.76	6	2.76
1001 to 5000	45	2.28	21	1.68	28	2.27	15	1.66
5001 to 7500	18	2.56	3	2.67	11	2.21	2	1.26
7501 to 10000	8	4.38	2	2.63	4	4.01	N/A	N/A
10,000 +	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

# Survey Data

What is HR's role in setting raises at your organization? (Check all that apply.)		
Answer Choices	Response Percent	Response Count
Plays no role in setting raises	19.68%	49
Plays a major role in deciding the companywide level for raises	49.00%	122
Determines each employee's raise	13.25%	33
Approves each employee's raise	26.10%	65
Reviews individual raises, but no veto power	17.67%	44
Helps supervisors with tough pay decisions	44.98%	112
Reviews each department's raises	36.95%	92
Sets pool amounts given to managers to use at their discretion	16.47%	41
Other (please specify)	8.03%	20
	<b>Answered</b>	<b>249</b>
	<b>Skipped</b>	<b>0</b>

2018 average MERIT increase (not including general increases):								
	N/A	0	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count
Senior management	12.18%	9.62%	19.23%	23.08%	25.00%	5.13%	5.77%	156
Management	11.92%	9.27%	16.56%	27.81%	25.83%	6.62%	1.99%	151
Non-management salaried exempt	14.38%	7.84%	17.65%	32.03%	22.88%	5.23%	0.00%	153
Hourly office	16.45%	9.21%	18.42%	36.18%	17.76%	1.32%	0.66%	152
Hourly non-office	26.97%	9.21%	19.08%	27.63%	15.79%	1.32%	0.00%	152
							<b>Answered</b>	<b>157</b>
							<b>Skipped</b>	<b>92</b>

### 2018 average GENERAL\* increase:

	N/A	0	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
Senior management	34.01%	13.61%	18.37%	15.65%	12.93%	4.08%	1.36%	147	
Management	31.94%	13.19%	20.14%	15.97%	15.97%	2.78%	0.00%	144	
Non-management salaried exempt	34.48%	10.34%	20.69%	20.00%	11.72%	2.76%	0.00%	145	
Hourly office	35.37%	11.56%	20.41%	22.45%	8.16%	1.36%	0.68%	147	
Hourly non-office	40.56%	10.49%	20.28%	19.58%	6.99%	2.10%	0.00%	143	
								<b>Answered</b>	<b>150</b>
								<b>Skipped</b>	<b>99</b>

### 2018 average RATE RANGE\* adjustment:

	N/A	0	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
Senior management	39.46%	18.37%	20.41%	9.52%	6.80%	3.40%	2.04%	147	
Management	35.37%	18.37%	24.49%	10.20%	8.16%	2.72%	0.68%	147	
Non-management salaried exempt	36.49%	16.22%	26.35%	12.16%	7.43%	1.35%	0.00%	148	
Hourly office	38.51%	18.92%	22.97%	12.16%	5.41%	1.35%	0.68%	148	
Hourly non-office	40.82%	17.01%	23.13%	12.24%	5.44%	1.36%	0.00%	147	
								<b>Answered</b>	<b>150</b>
								<b>Skipped</b>	<b>99</b>

### 2018 maximum INDIVIDUAL increase:

	N/A	0	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
Senior management	8.05%	7.38%	13.42%	13.42%	22.82%	22.15%	12.75%	149	
Management	7.48%	6.12%	11.56%	14.97%	29.93%	21.77%	8.16%	147	
Non-management salaried exempt	11.41%	4.70%	12.75%	16.78%	26.85%	20.13%	7.38%	149	
Hourly office	10.74%	6.71%	12.75%	24.16%	25.50%	16.78%	3.36%	149	
Hourly non-office	22.45%	5.44%	14.97%	20.41%	17.69%	14.97%	4.08%	147	
								<b>Answered</b>	<b>152</b>
								<b>Skipped</b>	<b>97</b>



**Please indicate the maximum merit increase awarded  
for the following performance levels with a scale of 1 to 5.**

	N/A	0.00	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
0.00-1.00 Does not meet requirements	16.67%	68.67%	11.33%	1.33%	0.67%	0.67%	0.67%	150	
1.01-2.00 Needs improvement	16.67%	36.00%	42.67%	3.33%	0.67%	0.67%	0.00%	150	
2.01-3.00 Meets requirements	12.08%	9.40%	27.52%	32.89%	16.78%	1.34%	0.00%	149	
3.01-4.00 Exceeds requirements	12.84%	6.76%	10.14%	21.62%	37.84%	8.78%	2.03%	148	
4.01-5.00 Far exceeds requirements	16.44%	6.16%	9.59%	10.27%	26.03%	26.03%	5.48%	146	
								<b>Answered</b>	<b>151</b>
								<b>Skipped</b>	<b>98</b>

**2018 average BONUS\* payment:**

	N/A	0.00	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Senior management	25.71%	4.29%	6.43%	11.43%	10.71%	7.14%	2.86%	4.29%	7.86%	19.29%	140
Management	26.62%	7.19%	8.63%	15.11%	9.35%	11.51%	8.63%	6.47%	3.60%	2.88%	139
Non-management salaried exempt	36.17%	9.22%	9.93%	16.31%	11.35%	10.64%	3.55%	0.71%	0.71%	1.42%	141
Hourly office	42.34%	13.87%	14.60%	16.79%	8.03%	4.38%	0.00%	0.00%	0.00%	0.00%	137
Hourly non-office	48.18%	12.41%	13.14%	13.87%	8.03%	4.38%	0.00%	0.00%	0.00%	0.00%	137
										<b>Answered</b>	<b>142</b>
										<b>Skipped</b>	<b>107</b>

**2018 average LUMP SUM\* payment:**

	N/A	0.00	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Senior management	64.62%	13.08%	3.85%	5.38%	2.31%	3.08%	0.77%	0.77%	2.31%	3.85%	130
Management	63.85%	13.08%	9.23%	6.92%	1.54%	1.54%	2.31%	0.00%	0.00%	1.54%	130
Non-management salaried exempt	63.64%	12.88%	10.61%	8.33%	2.27%	1.52%	0.00%	0.00%	0.00%	0.76%	132
Hourly office	66.92%	13.08%	10.77%	6.92%	2.31%	0.00%	0.00%	0.00%	0.00%	0.00%	130
Hourly non-office	65.15%	12.88%	11.36%	7.58%	2.27%	0.76%	0.00%	0.00%	0.00%	0.00%	132
										<b>Answered</b>	<b>135</b>
										<b>Skipped</b>	<b>114</b>

## 2018 bonuses are/were given ...

Answer Choices	Response Percentage	Response Count
Instead of base pay increases	5.97%	8
In addition to base pay increases	51.49%	69
Some of both depending on employee type (management level, exempt/nonexempt, etc.)	18.66%	25
Other (please specify)	23.88%	32
	<b>Answered</b>	<b>134</b>
	<b>Skipped</b>	<b>115</b>

## 2019 salary increases and bonuses ...

Answer Choices	Response Percentage	Response Count
Have been decided and/or approved	7.01%	11
Have not been decided	92.99%	146
	<b>Answered</b>	<b>157</b>
	<b>Skipped</b>	<b>92</b>

## 2019 average MERIT increase budget (not including general increases):

	N/A	0.00	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count
Senior management	28.85%	5.77%	15.38%	27.88%	14.42%	6.73%	0.96%	104
Management	27.88%	7.69%	15.38%	26.92%	16.35%	5.77%	0.00%	104
Non-management salaried exempt	27.18%	7.77%	16.50%	32.04%	13.59%	2.91%	0.00%	103
Hourly office	31.37%	8.82%	17.65%	28.43%	12.75%	0.98%	0.00%	102
Hourly non-office	38.83%	8.74%	15.53%	22.33%	13.59%	0.97%	0.00%	103
							<b>Answered</b>	<b>106</b>
							<b>Skipped</b>	<b>143</b>

## 2019 average GENERAL\* increase budget:

	N/A	0.00	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count
Senior management	48.00%	11.00%	10.00%	19.00%	8.00%	2.00%	2.00%	100
Management	47.47%	11.11%	12.12%	20.20%	6.06%	3.03%	0.00%	99
Non-management salaried exempt	48.00%	12.00%	12.00%	18.00%	8.00%	2.00%	0.00%	100
Hourly office	51.02%	12.24%	13.27%	18.37%	4.08%	1.02%	0.00%	98
Hourly non-office	51.52%	11.11%	14.14%	19.19%	4.04%	0.00%	0.00%	99
							<b>Answered</b>	<b>101</b>
							<b>Skipped</b>	<b>148</b>

### 2019 average RATE RANGE adjustment budget:

	N/A	0.00	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
Senior management	50.50%	9.90%	19.80%	9.90%	6.93%	0.99%	1.98%	101	
Management	51.00%	11.00%	22.00%	10.00%	5.00%	1.00%	0.00%	100	
Non-management salaried exempt	51.49%	12.87%	18.81%	9.90%	4.95%	1.98%	0.00%	101	
Hourly office	54.55%	12.12%	18.18%	12.12%	3.03%	0.00%	0.00%	99	
Hourly non-office	59.18%	11.22%	16.33%	9.18%	4.08%	0.00%	0.00%	98	
								<b>Answered</b>	<b>102</b>
								<b>Skipped</b>	<b>147</b>

### 2019 maximum INDIVIDUAL increase expected:

	N/A	0.00	0.01 to 2.50	2.51 to 3.00	3.01 to 5.00	5.01 to 10.00	10.01 or Above	Response Count	
Senior management	26.21%	3.88%	11.65%	11.65%	20.39%	17.48%	8.74%	103	
Management	25.49%	4.90%	10.78%	12.75%	26.47%	15.69%	3.92%	102	
Non-management salaried exempt	25.24%	5.83%	12.62%	15.53%	25.24%	13.59%	1.94%	103	
Hourly office	27.72%	5.94%	16.83%	14.85%	22.77%	9.90%	1.98%	101	
Hourly non-office	34.31%	5.88%	15.69%	15.69%	16.67%	10.78%	0.98%	102	
								<b>Answered</b>	<b>104</b>
								<b>Skipped</b>	<b>145</b>

### 2019 average BONUS payment:

	N/A	0.00	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Senior management	33.67%	8.16%	7.14%	4.08%	9.18%	4.08%	5.10%	3.06%	8.16%	17.35%	98
Management	33.33%	9.38%	5.21%	7.29%	13.54%	8.33%	12.50%	5.21%	3.13%	2.08%	96
Non-management salaried exempt	37.76%	15.31%	8.16%	13.27%	8.16%	9.18%	4.08%	3.06%	0.00%	1.02%	98
Hourly office	43.75%	19.79%	11.46%	11.46%	11.46%	2.08%	0.00%	0.00%	0.00%	0.00%	96
Hourly non-office	48.96%	17.71%	7.29%	14.58%	9.38%	1.04%	0.00%	1.04%	0.00%	0.00%	96
										<b>Answered</b>	<b>100</b>
										<b>Skipped</b>	<b>149</b>

### 2019 average LUMP SUM\* payment:

	N/A	0.00	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Senior management	59.34%	16.48%	4.40%	5.49%	4.40%	2.20%	0.00%	1.10%	3.30%	3.30%	91
Management	58.89%	18.89%	7.78%	8.89%	2.22%	0.00%	2.22%	0.00%	0.00%	1.11%	90
Non-management salaried exempt	59.34%	18.68%	5.49%	12.09%	1.10%	2.20%	0.00%	0.00%	0.00%	1.10%	91
Hourly office	61.80%	20.22%	7.87%	7.87%	2.25%	0.00%	0.00%	0.00%	0.00%	0.00%	89
Hourly non-office	61.54%	20.88%	7.69%	8.79%	1.10%	0.00%	0.00%	0.00%	0.00%	0.00%	91
										<b>Answered</b>	<b>92</b>
										<b>Skipped</b>	<b>157</b>

### 2019 bonuses will be given ...

Answer Choices	Response Percentage	Response Count
Instead of base pay increases	1.90%	2
In addition to base pay increases	43.81%	46
Some of both depending on employee type (management level, exempt/nonexempt, etc.)	23.81%	25
Other (please specify)	30.48%	32
	<b>Answered</b>	<b>105</b>
	<b>Skipped</b>	<b>144</b>

### What type(s) of variable pay does your organization provide for the following?

	Short-term (less than 1 year)	Response Count	Long-term (1 year or longer)	Response Count
Individual	59.09%	39	40.91%	66
Group/team	57.58%	19	42.42%	33
Company-wide	58.54%	24	41.46%	41
			<b>Answered</b>	<b>77</b>
			<b>Skipped</b>	<b>172</b>

## Which of the following kinds of variable pay does your organization provide for these employee groups? (Check all that apply.)

	Hourly	Exempt nonmanagement	Exempt management	Senior management	Response Count
Sales commission	14.89%	57.45%	21.28%	6.38%	47
Piece rate	66.67%	11.11%	22.22%	0.00%	9
Performance bonus	26.42%	11.32%	22.64%	39.62%	53
Quality bonus	16.67%	16.67%	41.67%	25.00%	12
Productivity bonus	47.37%	26.32%	10.53%	15.79%	19
Cost reduction bonus	33.33%	16.67%	16.67%	33.33%	6
Project bonus	27.27%	18.18%	36.36%	18.18%	11
Sign-on bonus	19.23%	19.23%	26.92%	34.62%	26
Referral bonus	80.77%	15.38%	3.85%	0.00%	26
Retention bonus	53.85%	7.69%	30.77%	7.69%	13
Attendance bonus	88.89%	0.00%	11.11%	0.00%	9
Recognition award	58.33%	25.00%	16.67%	0.00%	24
Spot bonus	41.18%	41.18%	11.76%	5.88%	17
Safety award	87.50%	0.00%	12.50%	0.00%	8
Gain-sharing plan	66.67%	0.00%	33.33%	0.00%	6
Profit-sharing plan	53.33%	6.67%	6.67%	33.33%	15
SARS (Stock Appreciation Rights)	25.00%	0.00%	25.00%	50.00%	8
Stock options	36.36%	0.00%	18.18%	45.45%	11
Equity program	28.57%	14.29%	0.00%	57.14%	7
401(k) match	70.00%	10.00%	5.00%	15.00%	60
				<b>Answered</b>	<b>93</b>
				<b>Skipped</b>	<b>156</b>

**If applicable, how effectively do the following variable pay programs motivate employees to achieve higher levels of performance?**

	Not effective	Somewhat	Effective	Very effective	Extremely effective	Response Count
Sales commission	10.64%	8.51%	29.79%	29.79%	21.28%	47
Piece rate	46.15%	15.38%	23.08%	7.69%	7.69%	13
Performance bonus	9.80%	9.80%	33.33%	27.45%	19.61%	51
Quality bonus	29.41%	11.76%	35.29%	23.53%	0.00%	17
Productivity bonus	25.00%	15.00%	15.00%	30.00%	15.00%	20
Cost reduction bonus	30.77%	0.00%	53.85%	15.38%	0.00%	13
Project bonus	26.67%	13.33%	26.67%	33.33%	0.00%	15
Attendance bonus	35.71%	14.29%	42.86%	0.00%	7.14%	14
Recognition award	21.74%	21.74%	34.78%	17.39%	4.35%	23
Spot bonus	21.05%	21.05%	36.84%	15.79%	5.26%	19
Safety award	36.36%	27.27%	36.36%	0.00%	0.00%	11
Gain-sharing plan	40.00%	10.00%	50.00%	0.00%	0.00%	10
Profit-sharing plan	27.78%	5.56%	38.89%	22.22%	5.56%	18
SARS (Stock Appreciation Rights)	40.00%	0.00%	20.00%	20.00%	20.00%	10
Stock options	35.71%	0.00%	28.57%	28.57%	7.14%	14
Equity program	23.53%	0.00%	29.41%	29.41%	17.65%	17
					<b>Answered</b>	<b>77</b>
					<b>Skipped</b>	<b>172</b>

**How important is variable pay to the success of your organization's retention and recruiting strategy for the following employee groups?**

	Not important	Moderately important	Important	Very important	Extremely important	Response Count
Hourly	36.78%	32.18%	12.64%	11.49%	6.90%	87
Non-management exempt	25.00%	21.74%	28.26%	15.22%	9.78%	92
Management exempt	19.57%	14.13%	26.09%	28.26%	11.96%	92
Senior management	16.67%	11.11%	23.33%	27.78%	21.11%	90
					<b>Answered</b>	<b>95</b>
					<b>Skipped</b>	<b>154</b>

## Who in your organization has primary responsibility for designing and implementing your variable pay program?

Answer Choices	Response Percentage	Response Count
Employees	0.00%	0
Management team	8.04%	9
HR/Compensation department	23.21%	26
Compensation committee	3.57%	4
Finance Department	2.68%	3
Senior management	37.50%	42
Board of Directors	8.93%	10
Other (please specify)	16.07%	18
	<b>Answered</b>	<b>112</b>
	<b>Skipped</b>	<b>137</b>

## When is the last time your variable pay program was updated?

Answer Choices	Response Percentage	Response Count
Within the last year	33.04%	38
Within the last two years	17.39%	20
Within the last five years	13.91%	16
It has never been updated	9.57%	11
It is too new to need an update	0.87%	1
N/A	25.22%	29
	<b>Answered</b>	<b>115</b>
	<b>Skipped</b>	<b>134</b>

## What criteria are used to evaluate the effectiveness of your variable pay program? (Check all that apply.)

Answer Choices	Response Percentage	Response Count
Effectiveness/success is not evaluated	22.68%	22
Informal employee opinion	10.31%	10
Formal employee satisfaction survey	8.25%	8
Employee productivity metrics	6.19%	6
Employee turnover metrics	1.03%	1
Organization operating metrics	16.49%	16
Profit/loss metrics	15.46%	15
Other (please specify)	19.59%	19
	<b>Answered</b>	<b>97</b>
	<b>Skipped</b>	<b>152</b>

**If applicable, which of the following have a “cap” on how much employees can be awarded for a given plan period for that element of the plan?**

	<b>Capped</b>	<b>Not capped</b>	<b>I'm not sure</b>	<b>Response Count</b>
Sales commission	29.41%	62.75%	7.84%	51
Performance bonus	61.40%	28.07%	10.53%	57
Quality bonus	53.33%	20.00%	26.67%	15
Productivity bonus	47.37%	26.32%	26.32%	19
Cost reduction bonus	40.00%	20.00%	40.00%	10
Retention bonus	60.87%	13.04%	26.09%	23
Gain-sharing plan	30.00%	20.00%	50.00%	10
Profit-sharing plan	66.67%	9.52%	23.81%	21
SARS (Stock Appreciation Rights)	40.00%	10.00%	50.00%	10
Stock options	56.25%	12.50%	31.25%	16
Equity program	43.75%	12.50%	43.75%	16
401(k) match	88.71%	3.23%	8.06%	62
			<b>Answered</b>	<b>84</b>
			<b>Skipped</b>	<b>165</b>

**If tied to an established level of goal achievement, what level(s) of achievement is required before payout is made to employees?**

	<b>&lt;75%</b>	<b>75-99%</b>	<b>100%</b>	<b>101-125%</b>	<b>&gt;125%</b>	<b>Response Count</b>
Sales commission	30.56%	33.33%	25.00%	5.56%	5.56%	36
Piece rate	33.33%	0.00%	66.67%	0.00%	0.00%	6
Performance bonus	15.38%	35.90%	35.90%	7.69%	5.13%	39
Quality bonus	9.09%	18.18%	63.64%	9.09%	0.00%	11
Productivity bonus	11.76%	29.41%	47.06%	11.76%	0.00%	17
					<b>Answered</b>	<b>55</b>
					<b>Skipped</b>	<b>194</b>



**What is the LOWEST annual payout of all incentive pay combined— as a percentage of annual salary—for employees within the following groups? Please enter a percent. For example: 1%, 3%, 5%, 10%, 15%, etc.**

	N/A	0	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Hourly	30.00%	10.00%	40.00%	17.14%	2.86%	0.00%	0.00%	0.00%	0.00%	0.00%	70
Non-management exempt	23.29%	9.59%	32.88%	24.66%	5.48%	2.74%	1.37%	0.00%	0.00%	0.00%	73
Management exempt	21.13%	8.45%	25.35%	18.31%	14.08%	5.63%	4.23%	2.82%	0.00%	0.00%	71
Senior management	18.31%	11.27%	18.31%	16.90%	11.27%	4.23%	7.04%	7.04%	0.00%	5.63%	71
										<b>Answered</b>	<b>76</b>
										<b>Skipped</b>	<b>173</b>

**What is the HIGHEST annual payout of all incentive pay combined— as a percentage of annual salary—for employees within the following groups? Please enter a percent. For example: 1%, 3%, 5%, 10%, 15%, etc.**

	N/A	0	0.01 to 2.50	2.51 to 5.00	5.01 to 10.00	10.01 to 15.00	15.01 to 20.00	20.01 to 25.00	25.01 to 30.00	30.01 or Above	Response Count
Hourly	26.87%	5.97%	11.94%	22.39%	25.37%	5.97%	1.49%	0.00%	0.00%	0.00%	67
Non-management exempt	21.43%	4.29%	10.00%	17.14%	27.14%	7.14%	4.29%	4.29%	0.00%	4.29%	70
Management exempt	17.91%	2.99%	5.97%	14.93%	23.88%	5.97%	8.96%	8.96%	5.97%	4.48%	67
Senior management	16.67%	0.00%	6.06%	12.12%	15.15%	10.61%	7.58%	3.03%	7.58%	21.21%	66
										<b>Answered</b>	<b>72</b>
										<b>Skipped</b>	<b>177</b>

## For each type of incentive/bonus, on what is the amount of the payout based?

Answer Choices	Response Percentage	Response Count
The payout is a fixed amount based on employee level. (EEs get \$X, managers get \$XX.)	7.78%	7
The payout is a percent of base pay based on employee level. (EEs get X%, managers get XX%.)	35.56%	32
It is a mixture of fixed amounts and percent of salary with all based on employee level.	16.67%	15
The payout is the same fixed amount for all employees regardless of employee level.	4.44%	4
The payout is the same percent of base pay for all employees regardless of employee level.	3.33%	3
It is a mixture of the same fixed amount and the same percent of salary, regardless of employee level.	5.56%	5
I don't know	15.56%	14
Other	11.11%	10
	<b>Answered</b>	<b>90</b>
	<b>Skipped</b>	<b>159</b>

## Do you have a compensation philosophy covering how you compensate related to the market?

Answer Choices	Response Percentage	Response Count
Yes, we lead the market	5.00%	6
Yes, we lag the market rate	13.33%	16
Yes, we meet the current market rate	49.17%	59
No, we do not have a compensation philosophy	32.50%	39
	<b>Answered</b>	<b>120</b>
	<b>Skipped</b>	<b>129</b>

## If you have one, how was your job grade structure established?

Answer Choices	Response Percentage	Response Count
We do not have a job grade structure	31.13%	33
We developed our job grade structure in-house	42.45%	45
We hired a consultant to establish our job grades structure	18.87%	20
Other (please specify)	7.55%	8
	<b>Answered</b>	<b>106</b>
	<b>Skipped</b>	<b>143</b>

## How is the salary range for a new position in your organization determined? (Check all that apply.)

Answer Choices	Response Percentage	Response Count
Research local job market	51.26%	61
Research competitor wages	31.09%	37
Research location, industry, and position salary data	58.82%	70
Compare against similar positions within the organization	60.50%	72
Rank position within the organization	24.37%	29
Consider chosen applicant's previous salary	14.29%	17
Participate in salary surveys to obtain data for similar positions in my area/industry	48.74%	58
Other (please specify)	9.24%	11
	<b>Answered</b>	<b>119</b>
	<b>Skipped</b>	<b>130</b>

## If your salary ranges are tied to market rates, how were those rates determined?

Answer Choices	Response Percentage	Response Count
We reviewed third party salary surveys	67.35%	66
We hired a consultant to determine market rates	11.22%	11
We relied on employee feedback and/or "word on the street"	6.12%	6
Other (please specify)	15.31%	15
	<b>Answered</b>	<b>98</b>
	<b>Skipped</b>	<b>151</b>

## If your salary ranges are tied to market rates, how were the ranges calculated?

Answer Choices	Response Percentage	Response Count
The min/max is the percent below/above the market midpoint per our comp philosophy	33.33%	28
The min/max is calculated based on the desired range spread	27.38%	23
The min/mid/max is the percentiles shown in the salary survey (e.g., 25th, 50th, and 75th percentiles)	27.38%	23
Other (please specify)	11.90%	10
	<b>Answered</b>	<b>84</b>
	<b>Skipped</b>	<b>165</b>

## How frequently are market rates reviewed and salary ranges amended?

Answer Choices	Response Percentage	Response Count
Annually	51.00%	51
Every other year	20.00%	20
Every third year	8.00%	8
Other (please specify)	21.00%	21
	<b>Answered</b>	<b>100</b>
	<b>Skipped</b>	<b>149</b>

## What is the primary criterion used to establish a salary increase budget/pool.

Answer Choices	Response Percentage	Response Count
Company history	10.62%	12
Company profit	48.67%	55
Salary increase surveys	23.89%	27
Consumer price index	2.65%	3
Inflation rate	3.54%	4
Other (please specify)	10.62%	12
	<b>Answered</b>	<b>113</b>
	<b>Skipped</b>	<b>136</b>

## If/when bonuses or lump sum payments are given, how are the amounts determined? (Check all that apply.)

Answer Choices	Response Percentage	Response Count
Determined by individual performance	37.37%	37
Given across the board	14.14%	14
A combination of individual performance and across the board	20.20%	20
Group or department performance	6.06%	6
Based on company profits	30.30%	30
Based on company performance against budget	30.30%	30
Other (please specify)	16.16%	16
	<b>Answered</b>	<b>99</b>
	<b>Skipped</b>	<b>150</b>

## What is the most important factor that affects salary increases in your organization?

Answer Choices	Response Percentage	Response Count
Individual merit/performance	41.38%	48
Team/group merit/performance	1.72%	2
Company performance	30.17%	35
Seniority level	0.00%	0
Job classification (e.g., exempt vs. nonexempt)	3.45%	4
Department or division	0.86%	1
Individual's salary position in relation to the midpoint of their salary range	4.31%	5
Same amount/percent of base pay across the board	3.45%	4
Market rate	6.03%	7
Other (please specify)	8.62%	10
	<b>Answered</b>	<b>116</b>
	<b>Skipped</b>	<b>133</b>

## How does your organization address employee retention problems related to compensation? (Check all that apply.)

Answer Choices	Response Percentage	Response Count
We have no problems related to compensation	15.69%	16
We evaluate high-potential (HIPO) employees for flight risk and address pay issues as needed.	28.43%	29
We evaluate employees for flight risk and address pay issues at the individual employee level	28.43%	29
We evaluate our pay scale/rate range levels to ensure market competitiveness	53.92%	55
Other (please specify)		7
	<b>Answered</b>	<b>102</b>
	<b>Skipped</b>	<b>147</b>