

Deloitte.

2019 Survey of Salary Structure Policies and Practices

The following report summarizes the results of a survey that was sent out in September 2018 to WorldatWork members and nonmembers to collect information regarding current trends in salary structure policies and practices. The survey was co-developed and co-sponsored by WorldatWork and Deloitte Consulting LLP in order to gain a better understanding of the types of salary structures, competitive positioning, common policies and practices, and the tools that organizations use to design and administer salary structures today.

Table of Contents

•	Executive Summary	3
•	Types of Salary Structures	5
•	Competitive Positioning	22
•	Frequency of Salary Structure Adjustments	29
•	Salary Structure Tools	36
•	Methodology and Participant Demographics	40



Executive Summary (1 of 2)

The survey findings are organized into four topics: types of salary structures used by organizations and their characteristics, use of competitive positioning percentiles, frequency of salary structure adjustments and tools used in salary structure design and administration. Comparisons from the *WorldatWork 2012 Salary Structure Policies and Practices Survey* are provided to identify shifts in trends with common practices used by employers today.

Summary of Salary Structure Types and Characteristics

- The majority of participants surveyed (59%) highlighted that they have more than one salary structure in their organization, with 30% of participants citing the use of two to four structures. 24% of organizations use only one salary structure, while 17% do not have any active salary structure in place.
- Market-based salary structures continue to be the most predominant type of salary structure used by survey participants (55%), with traditional structures being the next most prevalent (24%).
- The pure market pricing approach was introduced this year (also referred to as "job-based pay ranges") with about 18% of organizations indicating they use this approach to guide pay decisions. This appears to be more prevalent for executive-level jobs than lower job levels. 11% of organizations reported using this approach exclusively.
- The use of broadbands in organizations today is significantly lower than was reported in the 2012 survey (12% in 2012 versus 5% in 2019), suggesting a downward trend in the prevalence of these types of structures.
- Consulting, Professional, Scientific & Technical services appear to be the heaviest users of traditional pay structures, which is a significant shift from the 2012 survey where the majority of these organizations reported using market-based pay structures.
- Consistent with the 2012 survey, variation in salary structure practices is infrequent but not uncommon for organizations. Geographic location and job level are the most popular triggers for variation in salary structure type.





Executive Summary (2 of 2)

Summary of Competitive Positioning

- 87% of the organizations surveyed use base salary to link their salary structures to the competitive market, which is slightly higher than what was reported in 2012 (80%).
- 96% of organizations tie midpoints to the 50th percentile of the market, which is an upward trend from the 90% that was reported in 2012. There was a decline in the number of organizations tying midpoints to the 60th percentile with no organizations reporting in 2019 versus 5% in 2012.
- The majority of organizations surveyed continue to use a consistent approach to competitive market positioning (80% in both 2019 and 2012 surveys), however it is not uncommon to allow for variation based on job function/family.
- There has been a decline in geographic location playing a role in determining the targeted competitive percentile (11% in 2019 versus 19% in 2012).

Summary of Salary Structure Adjustments

- Similar to 2012, most organizations (82%) adjust their salary ranges at a consistent frequency, with 75% of organizations reporting adjustments to salary ranges are made on an annual basis.
- While most organizations reported that the frequency of salary structure adjustments is consistent across the organization, it is not uncommon for adjustments to be made on the basis of various job function/families (21% of organizations), which is up slightly from 2012.

Summary of Salary Structure Tools

- Spreadsheet applications (e.g., Microsoft Excel, etc.) are still the most common tool used in both designing salary structures and administering pay. Point solutions (e.g., CompAnalyst, MarketPay, etc.) were the next most prevalent tool in designing salary structures, while enterprise systems (e.g., Oracle, PeopleSoft, etc.) were the next most prevalent tool in administering pay.
- Consistent with 2012, spreadsheet applications remain the most commonly used tool to communicate salary ranges internally (64%) with e-mail being the next most prevalent (38%).





© 2019 Deloitte Consulting LLP

Types of Salary Structures

Salary structures serve as the foundation of administering base pay within organizations. In the survey, the types of salary structures were defined as follows:

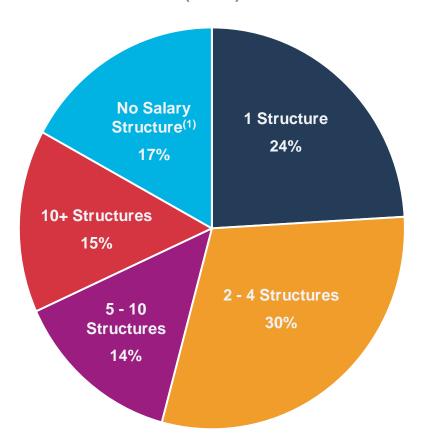
- **Traditional:** Typically have range spreads of 20% to 40% and midpoint progressions of 5% to 10%.
- Market-Based: Typically have range spreads of 30% to 80% and midpoint progressions of 10% to 15%.
- **Broadbands:** Typically have range spreads of 80% to 200% with no defined midpoints.
- **Step Structures:** Typically have range spreads of 20% to 40% remaining consistent for all grades and midpoint progressions of 5% to 10% with defined points (steps) within the ranges.
- **Pure Market Pricing:** Job evaluation/market pricing of individual jobs guides pay decisions; also referred to as "job-based pay ranges." Salary range is based on market data obtained for each individual job.
- **No Salary Structure:** No formal salary range based on any of the definitions included above.





59% of respondents have more than one salary structure for their U.S.-based employees, while 24% use only one structure and 17% do not use any form of salary structure to administer base pay within their organizations.

How many salary structure(s) are actively in use in your organization for its U.S. based employees? (n=299)



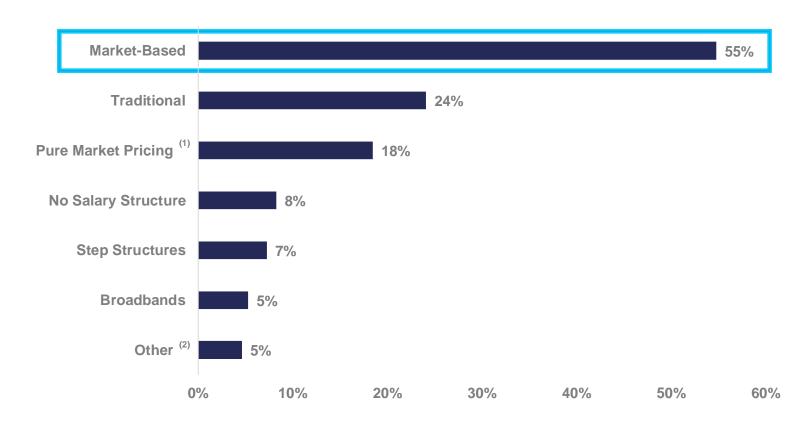
(1) Organizations that responded "No Salary Structure" may include those organizations that use a pure market pricing approach.





Market-Based structures are the most prevalent type of salary structure with 55% of survey participants indicating use of this type of structure. Traditional structures and pure market pricing are the next most prevalent with 24% and 18%, respectively.

What type of salary structure(s) does your organization use today for its U.S.-based employees? (select all that apply) (n=303)



- (1) 11% of organizations responded using the pure market pricing approach exclusively.
- (2) Other responses include creating a new salary structure, not having any U.S.-based employees, having significant variation based on job level, or having a different way of organizing their structure (by family, discipline, or law).





The majority of organizations reported using market-based structures followed by traditional structures and pure market pricing. However, the consulting, professional, scientific & technical services organizations show a higher use of traditional structures.

Industry	Traditional	Market- Based	Broadbands	Step Structures	Pure Market Pricing	No Salary Structure	Others
Finance & Insurance	9%	69%	3%	-	25%	-	6%
Health Care & Social Assistance	31%	59%	10%	10%	14%	3%	3%
Other	30%	53%	8%	3%	25%	5%	3%
Utilities, Oil & Gas	20%	53%	-	7%	40%	13%	7%
All Other Manufacturing	23%	68%	3%	23%	13%	6%	-
Consulting, Professional, Scientific & Technical Services	39%	33%	6%	-	22%	-	6%

Market-based structures are also the predominant type of structure across the majority of organization sizes, followed by traditional structures and then pure market pricing. However, the majority of organizations with less than 100 employees reported using traditional structures.

Organization Size	Traditional	Market- Based	Broadbands	Step Structures	Pure Market Pricing	No Salary Structure	Others
Less than 100 employees	33%	17%	17%	•		17%	17%
101 to 999	19%	58%	2%	2%	19%	5%	2%
1,000 to 4,999	22%	58%	3%	4%	19%	10%	3%
5,000 to 19,999	29%	51%	7%	10%	28%	4%	6%
Greater than 20,000	22%	66%	7%	12%	15%	2%	5%



The average range spread is similar in traditional structures and pure market pricing, while step structures show much narrower range spreads and broadbands show much higher range spreads. Midpoint progressions vary across all structure types.

Please respond regarding the following types of salary structure(s): (n=293)

	Average Ra	nge Spread				Midpoint P	rogression			
Salary Structure Type	Narrowest %	Widest %	Less Than 5%	5% to 9%	10% to 14%	15% to 19%	20% to 30%	More Than 30%	Not Defined	Varies
Traditional	36.5%	51.3%	3.4%	22.0%	18.6%	23.7%	3.4%	3.4%	1.7%	23.7%
Market-Based	45.7%	65.3%	0.7%	6.5%	34.1%	29.7%	6.5%	2.9%	-	19.6%
Broadbands	129.9%	213.8%	-	-	23.1%	-	38.5%	7.7%	7.7%	23.1%
Step Structures	27.7%	37.2%	-	23.1%	23.1%	7.7%	-	7.7%	15.4%	23.1%
Pure Market Pricing	39.7%	54.6%	4.5%	2.3%	6.8%	9.1%	4.5%	2.3%	38.6%	31.8%
No Salary Structure	0.27%	0.40%	-	-	11.1%	-	-	-	88.9%	-
Others ⁽¹⁾	47.0%	56.1%	5.9%	5.9%	-	5.9%	11.8%	-	23.5%	47.1%

⁽¹⁾ Other responses include not having any U.S.-based employees or having variation based on job level.

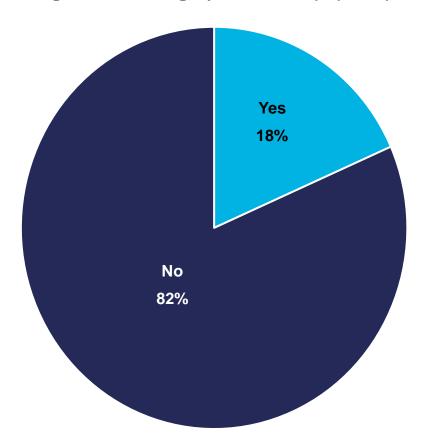




© 2019 Deloitte Consulting LLP

82% of organizations responded that the type of salary structure used does not vary by job function/family.

Does the type of structure used vary by job function/family (e.g., accounting, administration, finance, HR, IT, legal, logistics, marketing, operations, etc.)? (n=272)





Market-based salary structures are the most prevalent salary structure across all functions/families followed by traditional salary structures.

Please indicate the type of structure used for applicable job functions/families below: (n=39)

			Sala	ary Structure T	уре		
Job Function/Family	Traditional	Market- Based	Broadbands	Step Structures	Pure Market Pricing	No Salary Structure	Other
Accounting	32%	46%	5%	3%	8%	-	5%
Administration	31%	46%	5%	3%	8%	3%	5%
Business Intelligence (e.g., Data Science, Analytics, etc.)	31%	41%	10%	3%	7%	-	7%
Finance	32%	46%	5%	3%	8%	-	5%
Human Resources	29%	50%	5%	3%	8%	-	5%
Information Technology	19%	56%	8%	3%	8%	-	6%
Legal	32%	44%	6%	3%	9%	-	6%
Logistics/Supply Chain	26%	48%	6%	3%	10%	-	6%
Marketing	26%	50%	6%	3%	9%	-	6%
Operations (e.g., Project Management, Manufacturing, Procurement, etc.)	20%	40%	9%	14%	9%	-	9%
Research	32%	43%	11%	4%	4%	-	7%
Sales	33%	44%	0%	4%	11%	-	7%
Other ⁽¹⁾	32%	44%	4%	4%	12%	-	4%

⁽¹⁾ The Other responses received did not provide any additional text.



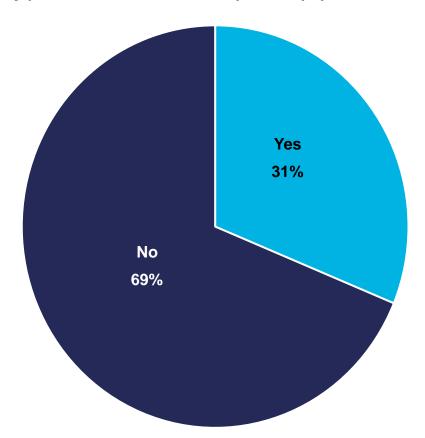


^{© 2019} WorldatWork

^{© 2019} Deloitte Consulting LLP

69% of organizations responded that the type of salary structure used does not vary by job level.

Does the type of structure used vary by job level? (e.g., hourly/production, other nonexempt, exempt/professional, etc.) (n=269)





Market-based salary structures were the most prevalent type of structure used across all job levels. Step structures were less prevalent outside the hourly/ production group. Pure market pricing is more prevalent for executive job levels

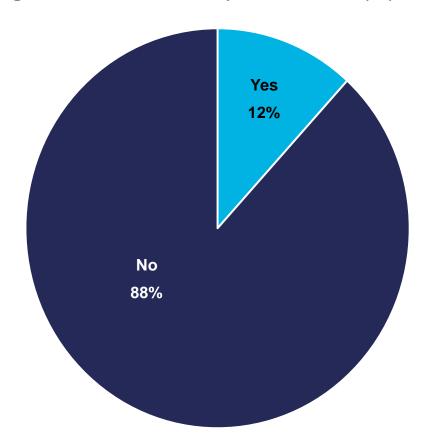
> Please indicate the type of structure used for applicable job levels below: (n=84)

	Salary Structure Type								
Job Level	Traditional	Market- Based	Broadbands	Step Structures	Pure Market Pricing	No Salary Structure	Other		
Hourly/Production	24%	40%	3%	19%	7%	-	7%		
Other Nonexempt	28%	54%	4%	3%	6%	1%	4%		
Exempt/Professional	22%	58%	6%	1%	6%	1%	5%		
Supervisory/Managerial	18%	59%	8%	1%	7%	1%	5%		
Executive	15%	50%	8%	2%	17%	3%	5%		



88% of organizations responded that the type of salary structure used does not vary by critical workforce segment.

Does the type of structure used vary by critical workforce segment (e.g., accountants/finance professionals, engineers, health care/clinical professionals, etc.)? (n=263)





Market-based salary structures are most commonly used for all critical workforce segments followed by traditional structures. The Business Intelligence and Sales segments showed the greatest use of the pure market pricing approach.

> Please indicate the type of structure used for applicable critical workforce segments below: (n=263)

	Salary Structure Type								
Critical Workforce Segment	Traditional	Market- Based	Broadbands	Step Structures	Pure Market Pricing	No Salary Structure			
Accounting	26%	53%	5%	5%	11%	-			
Administration	28%	50%	6%	6%	11%	-			
Business Intelligence (e.g., Data Science, Analytics, etc.)	20%	40%	13%	7%	20%	-			
Finance	22%	56%	6%	6%	11%	-			
Human Resources	21%	58%	5%	5%	11%	-			
Information Technology	5%	67%	10%	5%	14%	-			
Legal	23%	54%	8%	8%	8%	-			
Logistics/Supply Chain	20%	53%	7%	7%	13%	-			
Marketing	18%	59%	6%	6%	12%	-			
Operations (e.g., Project Management, Manufacturing, Procurement, etc.)	12%	47%	12%	12%	12%	-			
Research	29%	43%	14%	7%	7%	-			
Sales	27%	47%	0%	7%	20%	-			
Other ⁽¹⁾	27%	47%	7%	7%	7%	7%			

⁽¹⁾ The Other responses received did not provide any additional text



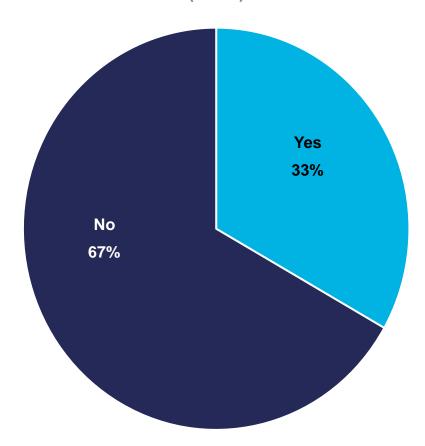


^{© 2019} WorldatWork

^{© 2019} Deloitte Consulting LLP

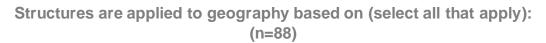
Geographic location does not typically play a role while choosing the type of salary structure to be used within an organization, however it is not uncommon, as 33% of participants responded that their salary structures vary based on geographic location.

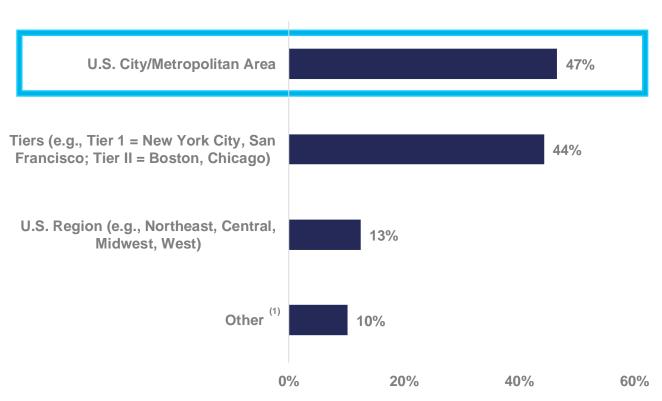
> Does the type of structure vary based on geographic location? (n=265)





The majority of participants responded that U.S. city/metropolitan area (47%) and tiers based on the location's variance from the national average (44%) are critical factors in determining the salary ranges based on geographic location.





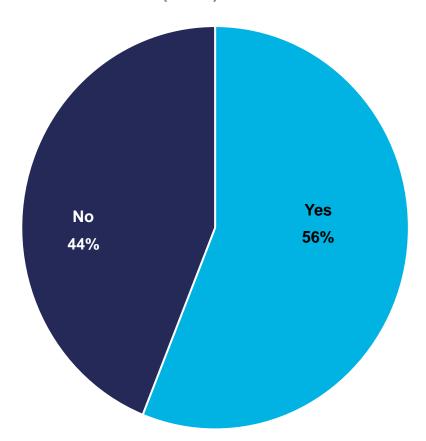
(1) Other responses include structures based on global regions, distribution centers, state, zip code, localized data from ERI, or when they do not use a geographic location based structure approach.





56% of respondents that have employees outside of the U.S. indicated that their organizations use one or more global salary structure(s), while 44% of global organizations that responded do not use global salary structures.

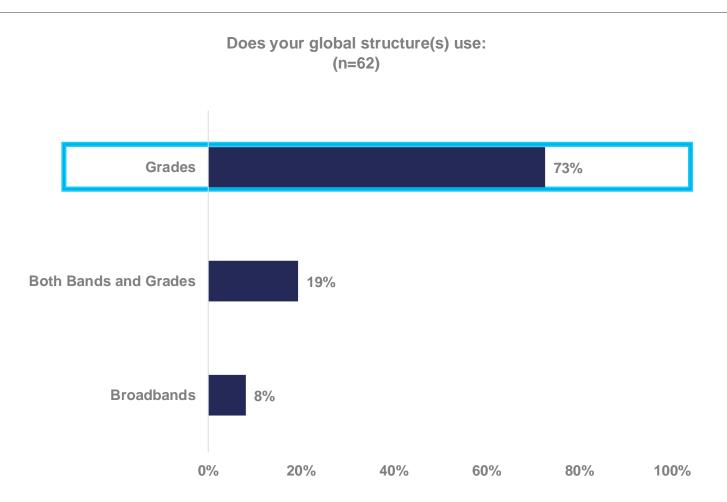
If your organization has employees outside of the U.S., do you use one or more global structure(s)? $(n=123)^{(1)}$



(1) Not applicable responses were removed from this analysis (n=143)



Of the 56% of respondents that use global structures, 73% use grades while far fewer organizations use both bands and grades (19%) and even fewer use broadbands (8%).





About half of the organizations indicated that their global salary structures vary by major geographic region (54%), followed by job level (33%).

Does your global structure(s) vary by (select all that apply): (n=63)

Global Structure Variation	Percentage
Major Geographic Region (e.g., country, EMEA, APAC, etc.)	54%
Job Level (e.g., hourly/production, other nonexempt/exempt professionals, etc.)	33%
The global structure does not vary it applies to all jobs in all locations	27%
Job Function/Family (e.g., accounting, administration, finance, HR, IT, legal, logistics, marketing, operations, etc.)	21%
Critical Workforce Segment (e.g., accountants/finance professions, engineers, health care/clinical professions, etc.)	3%
Other ⁽¹⁾	2%

⁽¹⁾ The Other response is not included as the option received less than 5% of responses.

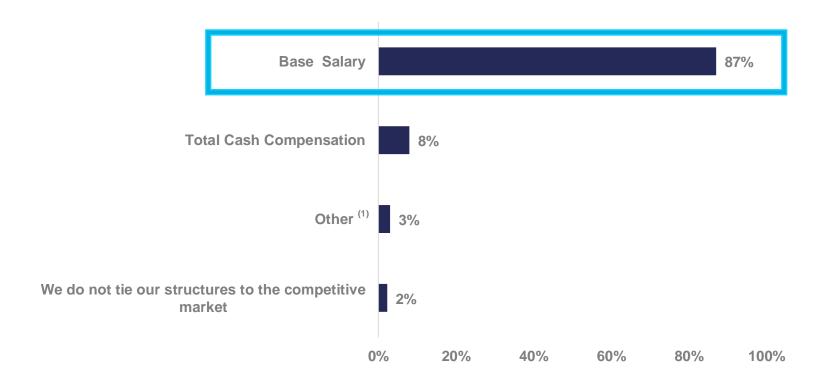




Competitive Positioning

The large majority of organizations (87%) responded that their organization's salary structures are tied to competitive percentiles based on base salary, while far fewer organizations tie their salary structures to total cash compensation (8%).

Generally, salary structures are tied to the competitive market. For your organization, is the competitive percentile based on: (n=260)



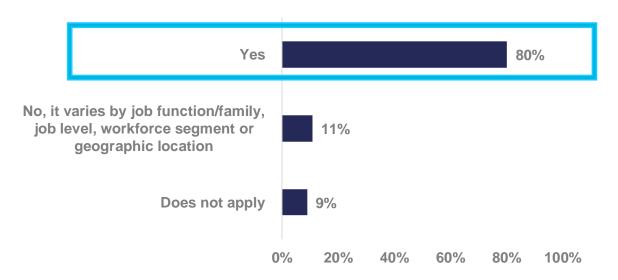
⁽¹⁾ The Other responses included not using a formal salary structure and targeting different competitive percentiles based on workforce segments.





80% of organizations reported that their midpoints are tied consistently to a single competitive market percentile, while 11% reported variation. In addition, 96% of organizations anchor their midpoints to the 50th percentile of the market.

Are midpoints tied consistently to a single competitive percentile of the market? (n=267)

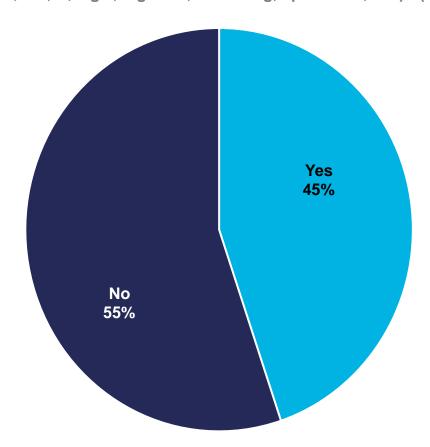


What competitive percentile are midpoints tied to? (n=212)

	Competitive Positioning							
% of	25 th Percentile	40 th Percentile	50 th Percentile	60 th Percentile	75 th Percentile	Other		
Organizations	1%	0%	96%	0%	1%	1%		

55% of respondents indicated that job function/family does not impact the targeted competitive percentile.

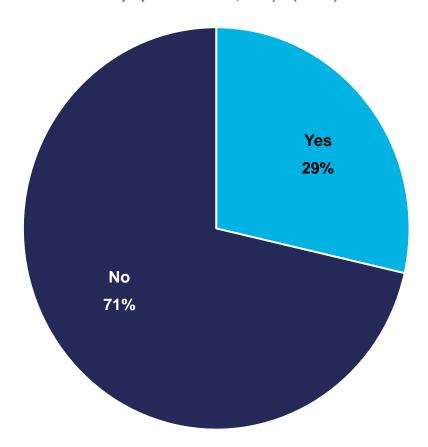
Does the targeted competitive percentile vary based on job function/family (e.g., accounting, administration, finance, HR, IT, legal, logistics, marketing, operations, etc.)? (n=29)⁽¹⁾





Only 29% of survey respondents indicated that the targeted competitive percentile varies based on job level.

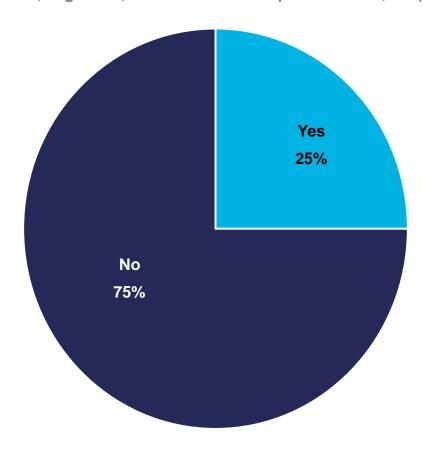
Does the targeted competitive percentile vary based on job level (e.g., hourly/production, other nonexempt, exempt/professional, etc.)? (n=28)⁽¹⁾





Only 25% of survey respondents said the targeted competitive percentile varies based on critical workforce segment.

Does the targeted competitive percentile vary based on critical workforce segment (e.g., accountants/finance professionals, engineers, health care/clinical professionals, etc.)? (n=28)(1)

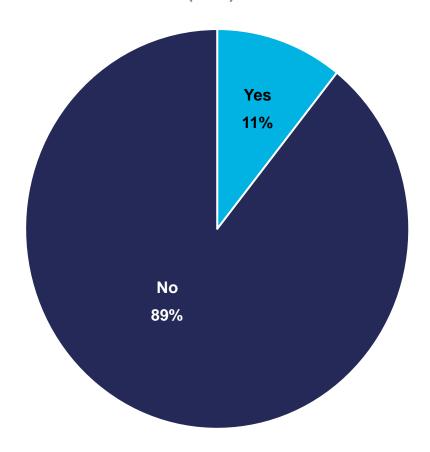






The majority of survey respondents (89%) reported that the targeted competitive percentile does not vary based on geographic location.

Does the targeted competitive percentile vary based on geographic location? $(n=28)^{(1)}$

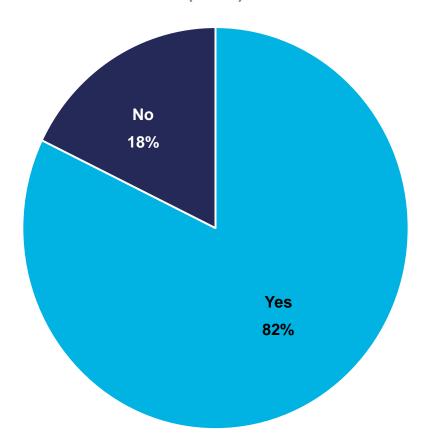




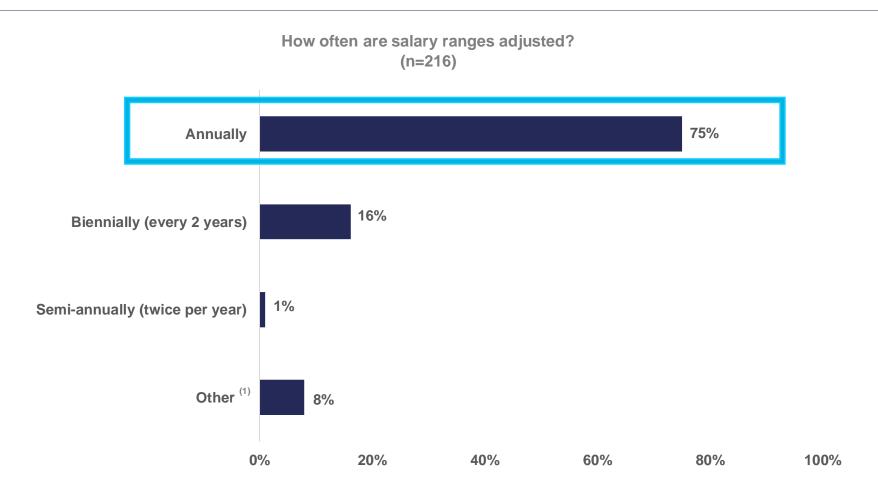
Frequency of Salary Structure Adjustments

82% of organizations responded that salary ranges are adjusted at a consistent frequency in their organization; only 18% do not adjust salary ranges at a consistent frequency.

> Are salary ranges adjusted at a consistent frequency across your organization? (n=264)



Of the 82% of participants who responded that the salary ranges are adjusted at a consistent frequency in their organization, 75% reported that their salary ranges are adjusted on an annual basis.



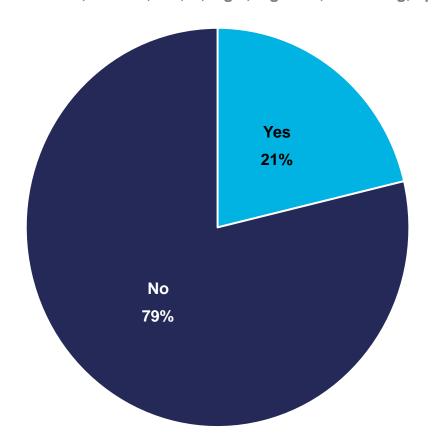
⁽¹⁾ Other responses include adjusting salary ranges as needed, changes based on market pressure/demand, economic changes, a new salary structure design, review structure annually/bi-annually (but not necessarily adjust), or adjust every 2-3 years.





79% of survey participants responded that the frequency of salary structure adjustments does not vary based on job function/family.

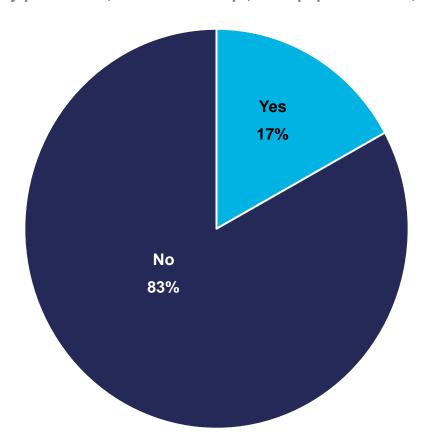
Does the frequency of the adjustment vary by job function/family (e.g., accounting, administration, finance, HR, IT, legal, logistics, marketing, operations, etc.)? (n=47)





The majority of respondents (83%) said the frequency of salary structure adjustments does <u>not</u> vary on the basis of job level.

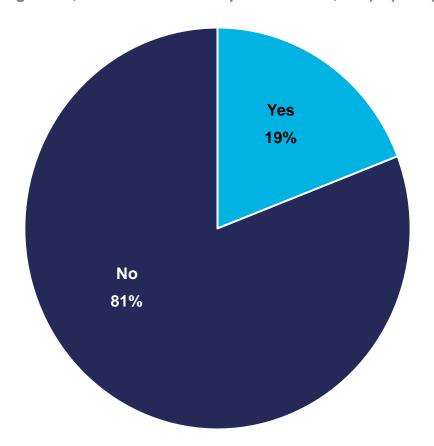
Does the frequency of the adjustment vary by job level? (e.g., hourly/production, other nonexempt, exempt/professional, etc.) (n=47)





81% responded that the frequency of salary structure adjustments does <u>not</u> vary based on critical workforce segment.

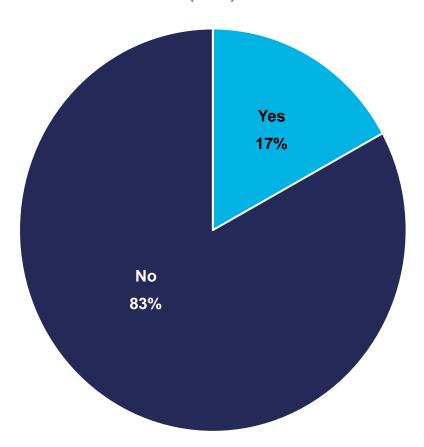
Does the frequency of the adjustment vary by critical workforce segment (e.g., accountants/finance professionals, engineers, health care/clinical professionals, etc.)? (n=47)





83% responded that the frequency of salary structure adjustments does not vary based on geographic location.

Does the frequency of the adjustment vary by geographic location? (n=47)





Salary Structure Tools

Spreadsheet application is the most prevalent tool used to design salary structures (86%) as well as administer pay within salary ranges (67%).

Which of the following tools do you use to design salary structures and administer pay (select all that apply): (n=246)

Tools	Spreadsheet Application (e.g., Microsoft Excel, Gnumeric, OpenOffice Calc, etc.)	Relational Database Application (e.g., Microsoft Access, Filemaker, OpenOffice Base, etc.)	Enterprise System (e.g., Oracle, PeopleSoft, SAP, Workday, etc.)	Point Solution (e.g., salary structure management tool such as CompAnalyst, MarketPay, Workscape, etc.)	Internally Developed System (e.g., custom designed within your organization)	Other ⁽¹⁾
Design Your Salary Structures (e.g., model new ranges, develop structures, calculate spreads and midpoint progressions, etc.)	86%	4%	13%	28%	7%	4%
Administer Pay Within the Salary Ranges (e.g., manage salary structures, make changes to existing structures, etc.)	67%	4%	44%	18%	8%	2%

⁽¹⁾ The Other text responses are not included as the option received less than 5% of responses.



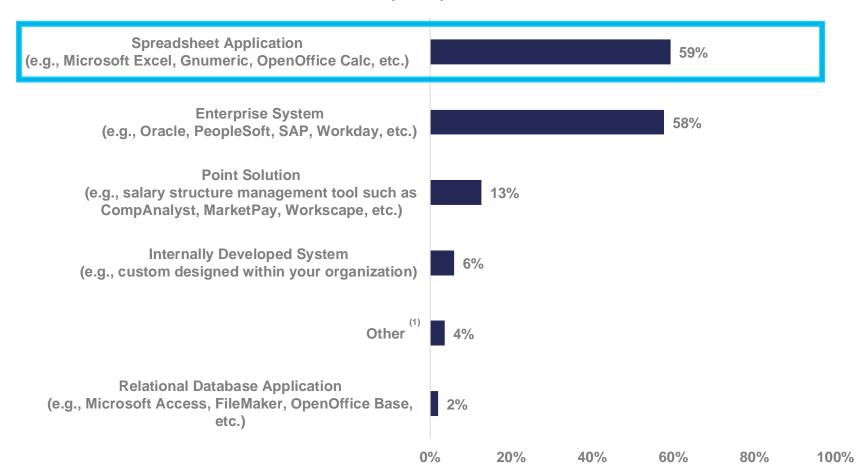
^{© 2019} Deloitte Consulting LLP





Spreadsheet application and enterprise systems are both preferred tools used to record salary range data. Point solutions, internally developed tools and relational database applications are far less prevalent.

> What is the system of record for your salary range data (select all that apply): (n=251)



⁽¹⁾ The Other text responses are not included as the option received less than 5% of responses.

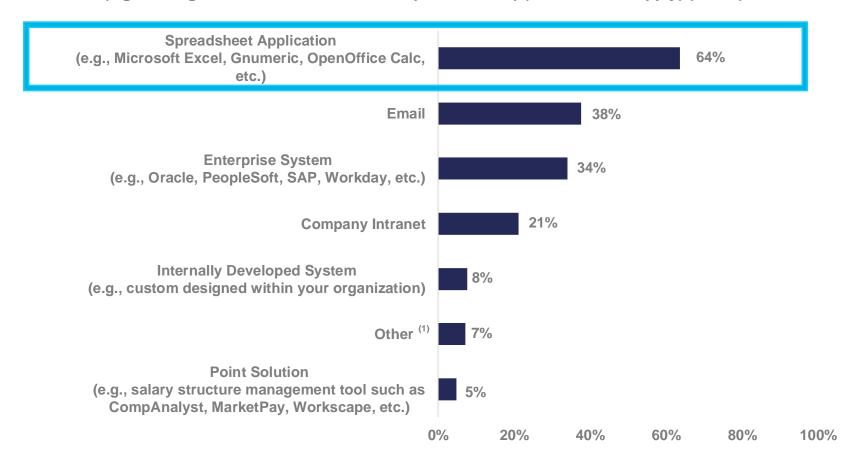
© 2019 WorldatWork © 2019 Deloitte Consulting LLP





Spreadsheet application is the most prevalent tool to communicate salary ranges internally (64%), however some survey respondents prefer using email (38%) and enterprise systems (34%).

What type of systems/tools do you currently use to communicate salary ranges to internal customers? (e.g., managers, recruiters, HR business partners, etc.) (Select all that apply) (n=250)



(1) Other responses included no communication, one-off conversation, email to HR only, meetings, applicant tracking system, SharePoint, and compensation structure handouts.



^{© 2019} WorldatWork

^{© 2019} Deloitte Consulting LLP

Methodology and Participant Demographics

Survey Methodology

On September 19, 2018, survey invitations to participate in the *2019 Survey of Salary Structure Policies and Practices* were sent electronically to WorldatWork members and nonmembers. Survey participation closed October 12, 2018.

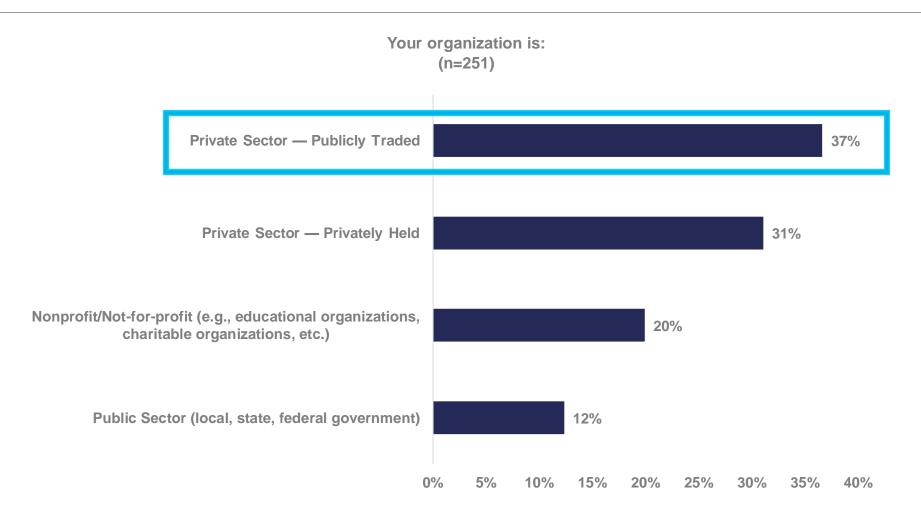
There were 331 responses in total, although sample size varies by survey question. In order to provide the most accurate data possible, data was cleaned and analyzed using statistical software. Where total number of participants responding to a question was less than 30, data corresponding to larger sample sizes will have stronger statistical power and validity. Questions that received fewer than 20 responses are excluded from this analysis and this report. Typical text responses are provided for any questions where "Other" was provided as a response option and received 5% or more of responses.

The demographics of the survey sample and the respondents are similar to the WorldatWork membership as a whole. The typical WorldatWork member works at the managerial level or higher in the headquarters of a large organization in North America. The frequencies or response distributions listed in the report show the number of times or percentage of times a value appears in a dataset. Due to rounding, frequencies of data responses provided in this survey may not total exactly 100%.

The full text of the questionnaire can be found here.



The majority of survey respondents are aligned to the private sector with 37% in publicly-traded companies and 31% in privately-held companies. Nonprofit and public sector organizations were less represented at 20% and 12%, respectively.





The majority of organizations that responded to the survey are between 1,000 – 4,999 employees worldwide, with the next most represented organization size being between 5,000 – 19,999.

Please choose the total number of full-time employees your organization employs worldwide: (n=251)

Total Number of Full-Time Employees (worldwide)	Percentage
Fewer than 100 employees	2%
100 to 499	8%
500 to 999	9%
1,000 to 2,499	21%
2,500 to 4,999	16%
5,000 to 9,999	14%
10,000 to 19,999	13%
20,000 to 39,999	7%
40,000 to 99,999	4%
100,000 or more	5%



The finance & insurance, health care & social assistance, all other manufacturing industries, and those that listed their industry as "other", are the most represented organizations within this survey.

Please choose one category that best describes the industry in which your organization operates: (n=250)

Industry	Percentage
Accommodations & Food Services	1%
Agriculture, Forestry, Fishing & Hunting	1%
All Other Manufacturing	12%
Arts, Entertainment & Recreation	1%
Computer and Electronic Manufacturing	4%
Construction	2%
Consulting, Professional, Scientific & Technical Services	7%
Educational Services	4%
Finance & Insurance	13%
Health Care & Social Assistance	12%
Information (includes Publishing, IT Technologies, etc.)	6%
Other Services (except Public Administration)	2%
Pharmaceuticals	3%
Public Administration	2%
Retail Trade	3%
Utilities, Oil & Gas	6%
Warehousing and Storage	2%
Other ⁽¹⁾	16%

⁽¹⁾ Other responses included industries in the area of software technology and products, consumer packaged goods, aerospace, semiconductor, and financial services.

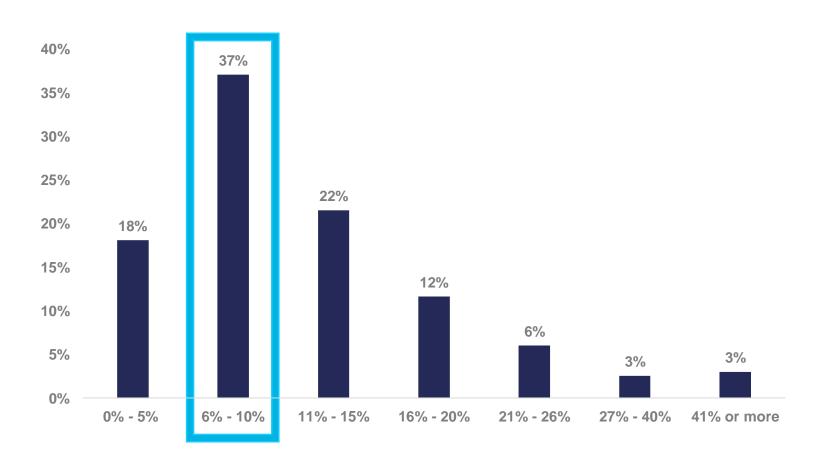


© 2019 Deloitte Consulting LLP



37% responded that the annual voluntary turnover is between 6-10%, followed by 22% responding in the bracket of 11-15%.

What is the approximate annual voluntary turnover for employees? (n=232)





Contact Us

Worldat Work.

About WorldatWork

WorldatWork (www.worldatwork.org) is the leading nonprofit professional association in compensation and total rewards. We serve those who design and deliver total rewards programs to cultivate engaged, effective workforces that power thriving organizations. We accomplish this through education and certification; idea exchange; knowledge creation; information sharing; research; advocacy; and affiliation and networking. Founded in the United States in 1955, today WorldatWork serves total rewards professionals throughout the world working in organizations of all sizes and structures.

WorldatWork Society of Certified Professionals @, the Certified Compensation Professional@ (CCP@), Certified Benefits Professional@ (CBP@), Global Remuneration Professional (GRP@), Work-Life Certified Professional@ (WLCP@), Certified Sales Compensation Professional (CSCP)@, Certified Executive Compensation Professional (CECP)@ are registered trademarks of WorldatWork. Advanced Certified Compensation Professional (MCCP) $^{\text{TM}}$ also are trademarks of WorldatWork.

Contact:

WorldatWork Customer Relations

14040 N. Northsight Blvd. Scottsdale, Arizona 85260

Tel: 877-951-9191

CustomerRelations@worldatwork.org

Deloitte.

About Deloitte Consulting LLP's Human Capital Practice

Deloitte helps organizations effectively manage their human capital to drive business growth. It does this leveraging advanced analytics to develop talent management and business-driven HR strategies to deliver results. Deloitte is a leader in human capital consulting, bringing a unique combination of business, industry and HR knowledge, supported by the breadth of services and capabilities of a multidisciplinary professional services organization and global network. For more information, please visit www.Deloitte.com/us/humancapital

As used in this document, "Deloitte" means Deloitte Consulting LLP, a subsidiary of Deloitte LLP. Please see http://www.Deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting. This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms or their related entities (collectively, the "Deloitte network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication. The statements in this report reflect our analysis of survey respondents and are not intended to reflect facts or opinions of any other entities. All survey data and statistics referenced and presented, as well as the representations and opinions expressed, unless specifically described otherwise, pertain only to the participating organizations and their responses to the Deloitte/WorldatWork survey conducted in September 2018.

Contact:

Gregory A. Stoskopf, CCP Deloitte Consulting LLP

30 Rockefeller Plaza New York, NY 10112 Tel: 212-618-4627

gstoskopf@deloitte.com

Sheila C. Sever, CCP Deloitte Consulting LLP

1111 Bagby Street Houston, TX 77002 Tel: 713-982-2627

ssever@deloitte.com

Deloitte.

