FULL REPORT JUNE 2022

GEOGRAPHIC PAY POLICIES

WorldatWork
Total Rewards Association

CONTENTS

ABOUT WORLDATWORK

WorldatWork is the leading global nonprofit organization for professionals engaged in the critically important practice of Total Rewards. We serve those who are responsible for cultivating inspired, engaged, productive, and committed workers in effective and rewarding workplaces. We guide them in the design and delivery of Total Reward programs with our education and certification; idea exchange; thought leadership; knowledge creation; information sharing; research; advocacy; and networking.

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OUR METHODOLOGY

WorldatWork invited its broader membership and customer base to participate in an electronic survey on U.S. geographic pay policies.

A total of 858 responses were received, representing U.S. organizations of different sizes and across multiple industries. WorldatWork also obtained responses from 312 full-time business professionals via the Schlesinger Group panel online. The sample was sourced primarily based on gender, geography and age.

Email invitations were sent directly to participants on 03/14/2022 and results were collected over a 14-day period. Sample sizes vary by question.

Geographic pay differentials are pay differences established for the same job based on variations in costs of labor or costs of living among two or more geographic areas.

Icon indicates the voice of the employee

KEY FINDINGS

KEY FINDING

NO. 1

ORGANIZATIONS ARE SIMPLIFYING THEIR PAY PHILOSOPHY AND POLICY SURROUNDING GEOGRAPHIC PAY STRATEGIES

28%

of organizations' plan to modify their policies through consolidation of pay differentials, while 13% are considering eliminating the differentials by geographic area, and there was a six-percentage point increase from 2021 for organizations' using a single pay structure where pay is not differentiated by geographic areas.

ALSO OF NOTE:

- 45% of organizations are applying pay differentials as a premium or discount to either a baseline/single pay structure or individual pay, and 24% create separate base pay structures for each/different geographic location
- For in-office or hybrid employees the geographic pay locations are most often determined by their nearest work location (45%) or reporting location (31%), while over half of full-time remote workers are tied to their location of residence
- 56% of organizations use city/metro area as the indicator in which geographic pay differentials are based, and cost of labor is overwhelmingly a greater influence than cost of living for determining the pay policy approach

KEY FINDING

NO. 2

ONLY 7% OF ORGANIZATIONS REPORT THE GEOGRAPHIC PAY POLICY AS INEFFECTIVE FOR REDUCING TURNOVER

The nature of work is changing and of the 57% of organizations with existing U.S. geographic pay policies in place, **55% of those are considering modifying or have recently modified their policies with the increase of full-time remote work;** with those that have modified in the past 12 month having almost doubled since 2021

ALSO OF NOTE:

- Just as many organizations are expanding as are consolidating the pay differential application in relation to their geographic pay philosophy, and 29% of those changes would impact employee pay immediately upon the policy rollout
- These changes and/or considerations are pertinent as 73% of employees expect their pay to differ based on a geographic location
- While employers often feel their communication of the geographic pay policies and procedures to employees is primarily somewhat transparent, employees appear to be receiving the transparency they need with 85% reporting they feel their organization is moderately to extremely transparent

KEY FINDING

NO. 3

A CONTINUED INCREASE IN REMOTE WORK OPTIONS LIKELY DRIVING EMPLOYEES TO INITIATE RELOCATIONS

Of the 56% of organizations with moderate to extreme flexibility for allowing full-time remote workers to voluntarily relocate, **70% of the requests, on average, are prompted by the employee** while only 30% are on behalf of the business

ALSO OF NOTE:

- As employers are increasing their knowledge and/or adding resources to their team to assist with workforce relocations, more organizations are beginning to allow full-time remote employees to relocate where a geographic or legal entity is not already established
- Almost seven in 10 employees say that a pay adjustment would be very or extremely influential in their decision to voluntarily relocate, a 19-percentage point increase from 2021

KEY FINDING

NO. 4

REMOTE WORK FLEXIBILITY IS VALUABLE ENOUGH FOR 38% OF EMPLOYEES TO CONSIDER LOOKING FOR NEW EMPLOYMENT IF DISCONTINUED

Flexibility to work remote, at least on a hybrid or part-time basis,

is valuable enough to cause employees to say they would have intent to seek new employment opportunities if working in-person full-time were to be required again. This has increased 17-percentage points since the COVID-19 Employer Plans and Employee Perceptions Study conducted in 2021.

ALSO OF NOTE:

- As organizations increase the ability for remote work, employees are expressing the value they place on this benefit by exercising their use of it, with 49% doing so full-time and 44% on a hybrid basis
- Of those organizations with a geographic pay policy and increased remote work capability, 71% of employees say that they have been impacted by the policy
- 91% of employees find the geographic pay policy influential on their desire to relocate

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RESULTS

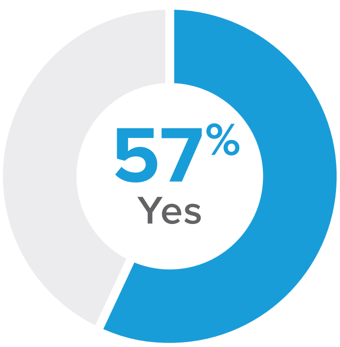
U.S. GEOGRAPHIC PAY POLICY PREVALENCE

QUESTION

Does your organization have a U.S. geographic pay policy?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees working outside of a normal commute within the U.S. received this question.

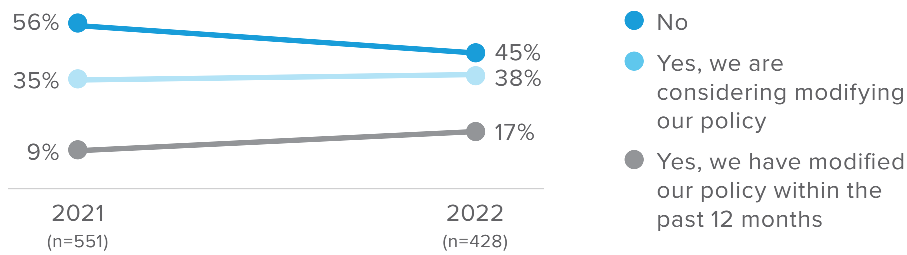
RESULTS

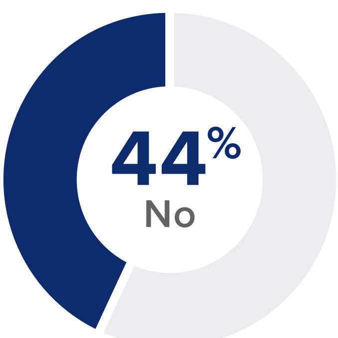


↓ 5% from 2021

With the increase in full-time remote work, has your organization considered modifying or has recently modified the U.S. geographic pay policy?

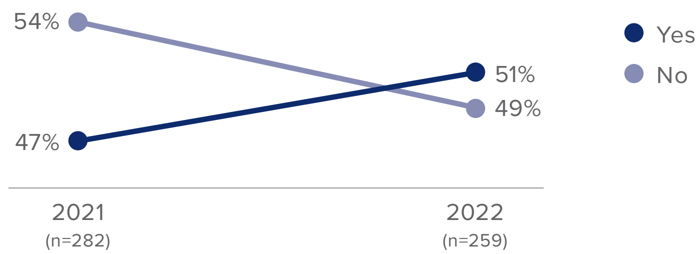
Participants responding "Yes" to considering a U.S. geographic pay policy received this question.





With an increase in full-time remote work, are you considering creating a U.S. geographic pay policy??

Participants responding "No" to considering a U.S. geographic pay policy received this question.



n=858

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GEOGRAPHIC PAY POLICY MODIFICATION APPROACHES

QUESTION

In what way is your organization considering modification to the pay philosophy in relationship to geography?

Participants responding "Yes, we are considering modifying our policy" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	193	109
Expanding pay differential application by geographic area	38%	28%
Consolidating pay differential application by geographic area	20%	28%
Eliminating pay differential application by geographic area	3%	13%
Adopting a single pay structure in which pay is not differentiated by geographic area	18%	14%
Adding a remote pay differential regardless of geographic area	-	7%
Other	21%	10%

EFFECTIVE DATE FOR PAY ADJUSTMENTS FROM MODIFIED POLICY

QUESTION

With your organization's geographic pay policy modification, when did or will those changes to employee pay take effect?

Participants responding "Yes, we have modified our policy within the past 12 months" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	52	72
Immediately upon rollout of the policy	48%	29%
At the time of annual pay review/adjustment	15%	21%
At beginning of the year (calendar or fiscal)	12%	26%
Phased/transitioned over a period	10%	18%
Other	15%	6%

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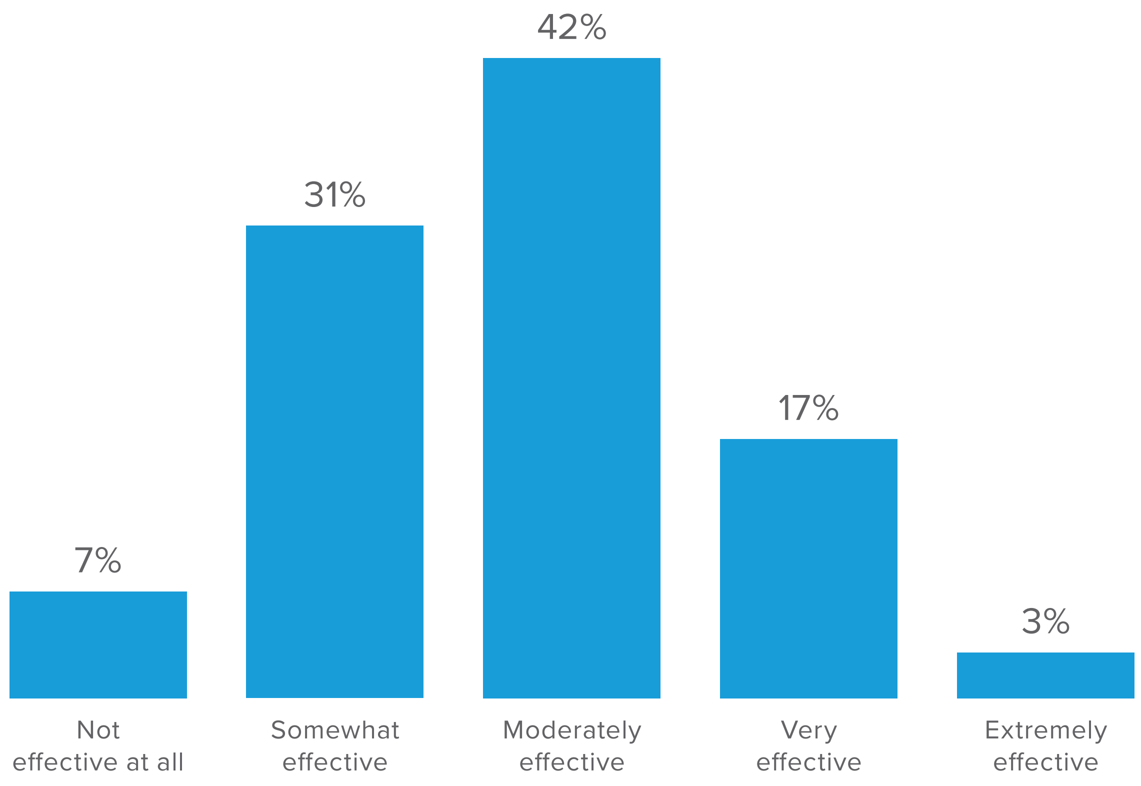
EFFECTIVENESS OF GEOGRAPHIC PAY POLICY ON REDUCING EMPLOYEE TURNOVER

QUESTION

Please indicate how effective your organization's geographic pay policy has been on reducing employee turnover.

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS



n=299

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TRANSPARENCY OF GEOGRAPHIC PAY POLICIES

QUESTION

How transparent is your organization at communicating the geographic pay policy and procedure to employees?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	589	465
Not at all transparent	20%	19%
Somewhat transparent	46%	37%
Moderately transparent	11%	24%
Very transparent	16%	16%
Extremely transparent	8%	4%

How transparent do you feel your organization is at communicating the geographic pay policy and procedure?

	2021	2022
n=	232	220
Not at all transparent	5%	6%
Somewhat transparent	25%	10%
Moderately transparent	23%	11%
Very transparent	17%	36%
Extremely transparent	30%	38%

EMPLOYEE GROUPS AFFECTED BY GEOGRAPHIC PAY POLICY

QUESTION

Which employee categories are affected by your organization's geographic pay policy? Please select all that apply.

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	594	471
Nonexempt hourly nonunion	80%	74%
Nonexempt hourly unionized	16%	12%
Nonexempt salaried	67%	59%
Exempt salaried	94%	94%
Sales professionals	-	54%
Officers/executives	33%	35%

GEOGRAPHIC PAY PHILOSOPHY

QUESTION

What is your organization's pay philosophy in relationship to geography?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees in hybrid roles outside a normal commute received this question.

RESULTS

<table>
<tr><th></th><th>2021</th><th>2022</th></tr>
<tr><td>n=</td><td>1,063</td><td>856</td></tr>
<tr><td>Separate base pay structures for each/different geographic area</td><td>33%</td><td>24%</td></tr>
<tr><td>Apply geographic pay differentials as a premium/discount to a baseline/ single pay structure</td><td rowspan="2">41%</td><td>36%</td></tr>
<tr><td>Apply geographic pay differentials as a premium/discount to individual pay</td><td>9%</td></tr>
<tr><td>Single pay structure, in which pay is not differentiated by geographic area (e.g., national, headquarters)</td><td>19%</td><td>25%</td></tr>
<tr><td>Other</td><td>7%</td><td>6%</td></tr>
</table>

In 2021, the category "Apply geographic pay differentials as a premium/discount to a baseline/single pay structure" and "Apply geographic pay differentials as a premium/discount to individual pay" were combined.

In 2021, the category "Single pay structure, in which pay is not differentiated by geographic area" was labeled as national pay structure.

GEOGRAPHIC PAY LOCATION DETERMINATION

QUESTION

How does your organization determine employees geographic pay location?

Participants not responding that they have a single pay structure received this question.

RESULTS

	To employee's nearest company work location	To employee's location of residence	To employee's reporting location (e.g., corporate headquarters, business unit)	Where work is performed (e.g., flexible shared or collaborate/ coworking space	Other
In-office/ hybrid employees	45%	9%	31%	13%	3%
Full-time remote employees	15%	54%	13%	8%	9%

n=449

GEOGRAPHIC DIFFERENTIAL INDICATORS

QUESTION

What indicator(s) is your organization's geographic differential based on? Please select all that apply.

RESULTS

	2021	2022
n=	929	641
City/metropolitan area	55%	56%
Work locations (e.g., offices, factories, distribution centers)	32%	32%
Similar market zones (e.g., 1 = NYC, San Francisco; 2 = Boston, Chicago)	23%	28%
State	23%	27%
Zip code	16%	21%
Region (e.g., West Coast, Northwest, Southeast, Midwest)	12%	12%
Country	11%	8%
Other	3%	4%

GEOGRAPHIC PAY POLICY ATTRIBUTES

QUESTION

How influential are each of the following attributes on determining your organization's geographic pay policy approach?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

14%
Cost of Living
(e.g., income tax rates; employment/ unemployment)

92%
Cost of Labor
(e.g., market pay rate)

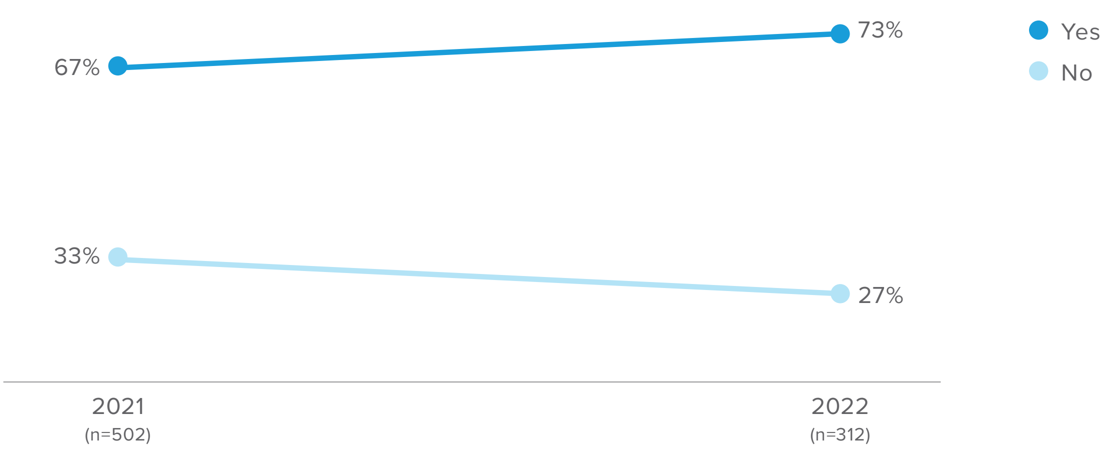
n=443

EMPLOYEE PAY EXPECTATIONS

QUESTION

Do you expect your pay to differ based on variations in cost of living/labor in connection with your work location?

RESULTS



PAY ADJUSTMENT INFLUENCE ON EMPLOYEE RELOCATION

QUESTION

How influential would a pay adjustment be in your decision to voluntarily relocate?

RESULTS

	2021	2022
n=	502	312
Not at all influential	8%	6%
Somewhat influential	22%	11%
Moderately influential	21%	14%
Very influential	30%	37%
Extremely influential	20%	32%

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FULL-TIME REMOTE WORKER RELOCATION FLEXIBILITY

QUESTION

What is your organization's degree of flexibility to allow full-time remote workers to voluntarily relocate?

Participants responding "Yes" to employing full-time remote workers within the U.S. received this question.

RESULTS

	2021	2022
n=	776	745
Not at all flexible	6%	6%
Somewhat flexible	37%	38%
Moderately flexible	31%	25%
Very flexible	19%	21%
Extremely flexible	7%	10%

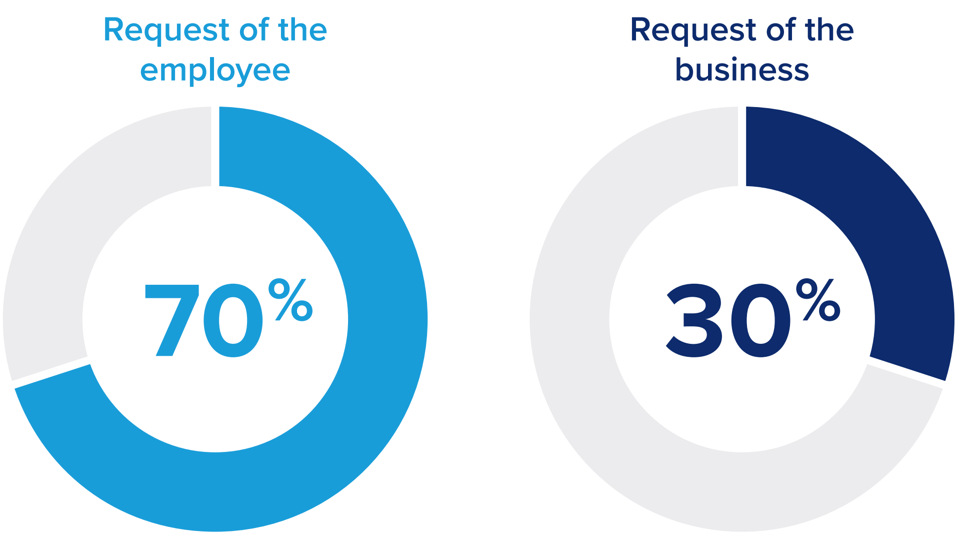
PERCENTAGE OF RELOCATIONS BY REQUEST

QUESTION

Of your organization’s relocations, what percentage are on the request of the business vs. on the request of the employee?

Participants responding “Moderately flexible”, “Very flexible” or “Extremely flexible” to their organization’s degree of flexbility allowing full-time remote workers to voluntarily relocate received this question.

RESULTS



The shift in remote work allowance is likely driving employees to initiate relocations.

n=413

FULL-TIME REMOTE WORKER RELOCATION

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	331	328
Yes; we will establish a legal entity anywhere in the U.S.	29%	29%
Yes; anywhere in the U.S. with the exception of certain states	-	19%
Yes; we will use a Professional Employer Organization (PEO) where we do not have a legal entity	12%	2%
No	30%	27%
No, but we are considering	18%	13%
Consideration on a case-by-case basis	-	3%
Other	10%	7%

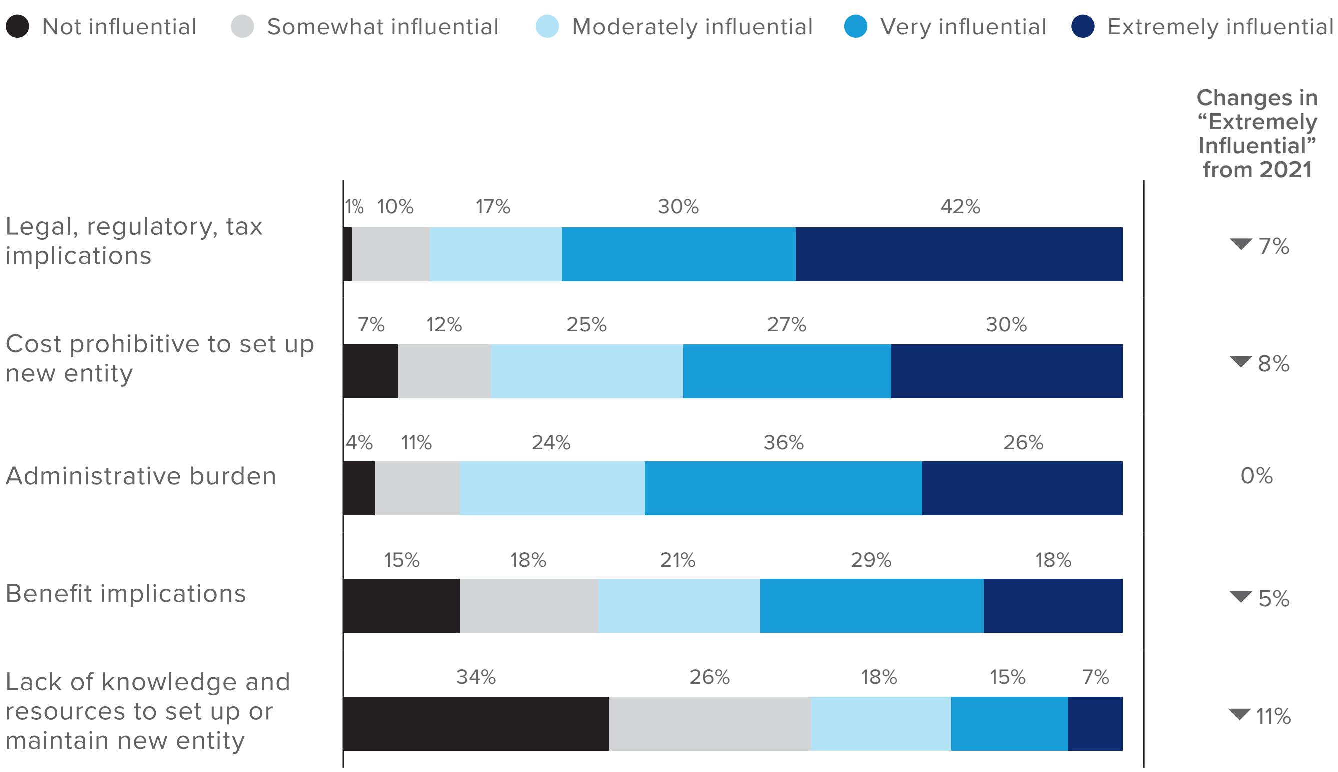
FACTORS LIMITING RELOCATIONS

QUESTION

How influential were the following factors for your organization’s decision not to allow full-time remote workers to relocate where a legal entity is not already established?

Participants responding “Yes” to employing full-time remote workers within the U.S. and “No” to allowing full-time remote workers to relocate where they do not currently have a geographic/legal entity established received this question.

RESULTS



n=115

n=85

RELOCATION STIPULATIONS

QUESTION

To be considered under the geographic pay policy, what are the stipulations to employees voluntarily relocating to a different geography? Please select all that apply.

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	563	450
There are no stipulations to changing geographic location to employees	57%	38%
Limited to any state the organization has a legal entity	43%	23%
We are considering stipulations to changing geographic location to employees	-	12%
Limited to states where the employee's current paying entity has a location/legal establishment	18%	12%
Must maintain current work location	26%	10%
Within any travel means from a physical location daily	10%	8%
Within any travel means from a physical location periodically	13%	6%
Relocations on case-by-case basis	3%	2%
Other	15%	8%

EFFECTIVE DATE FOR VOLUNTARY RELOCATION PAY ADJUSTMENTS

QUESTION

For employees voluntarily relocating and impacted by the geographic pay policy resulting in a pay change, when will the change take effect?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	2021	2022
n=	552	437
During the first pay period in the employee's new geography	42%	44%
Immediately	28%	29%
At the time of annual review/adjustment	8%	8%
Phased/transitioned over a period of time, if adjustment is reduction	8%	8%
On a case-by-case basis	-	2%
At the beginning of the year (calendar or fiscal)	4%	1%
Other	8%	9%

36% of organizations are currently evaluating/ undecided or do not have a formal policy.

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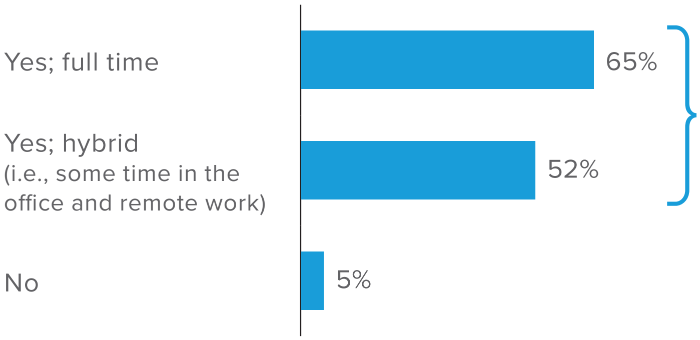
EMPLOYEE REMOTE WORK AND GEOGRAPHIC PAY POLICY IMPACT

QUESTION

Has your organization increased the ability for employees to work remote? Please select all that apply.

RESULTS

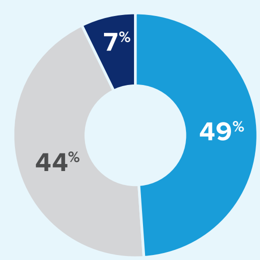


n=312

Have you been working more remote?

Participants responding their organization has increased the ability to work remote received this question.

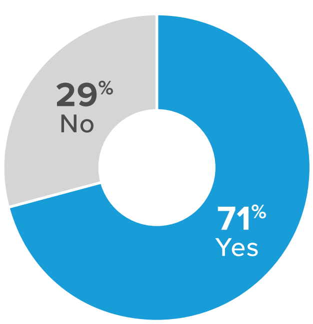
- Yes; full-time
- Yes; hybrid
- No



n=298

With the increase in the ability to work more remote, have you been impacted by a geographic pay policy?

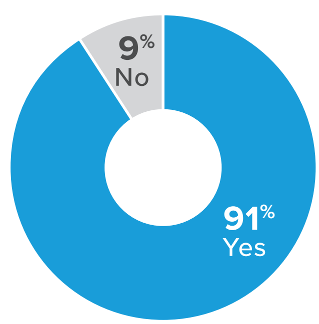
Participants responding their organization has a geographic pay policy and an increased ability to work remote received this question.



n=212

Does the impact of your organization's geographic pay policy influence your desire to relocate?

Participants responding they have been impacted by a geographic pay policy due to the increase in remote work received this question.



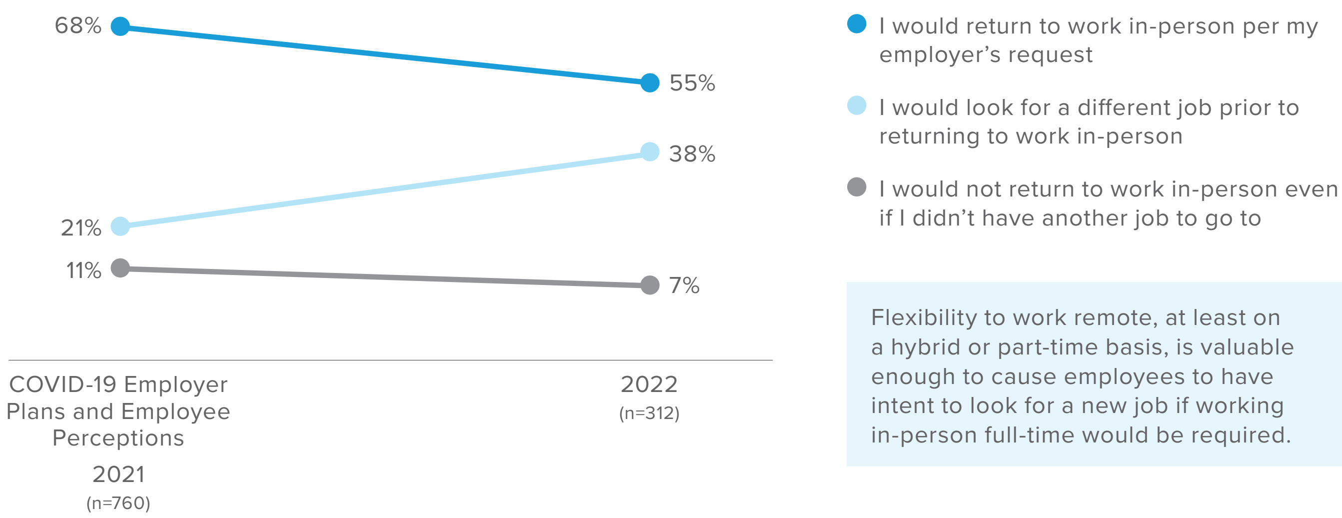
n=150

EMPLOYEE PERCEPTIONS OF REMOTE WORK POLICY CHANGES

QUESTION

If your employer decided that remote work will not be allowed and you will be required to work in-person full-time, what would you do?

RESULTS



Flexibility to work remote, at least on a hybrid or part-time basis, is valuable enough to cause employees to have intent to look for a new job if working in-person full-time would be required.

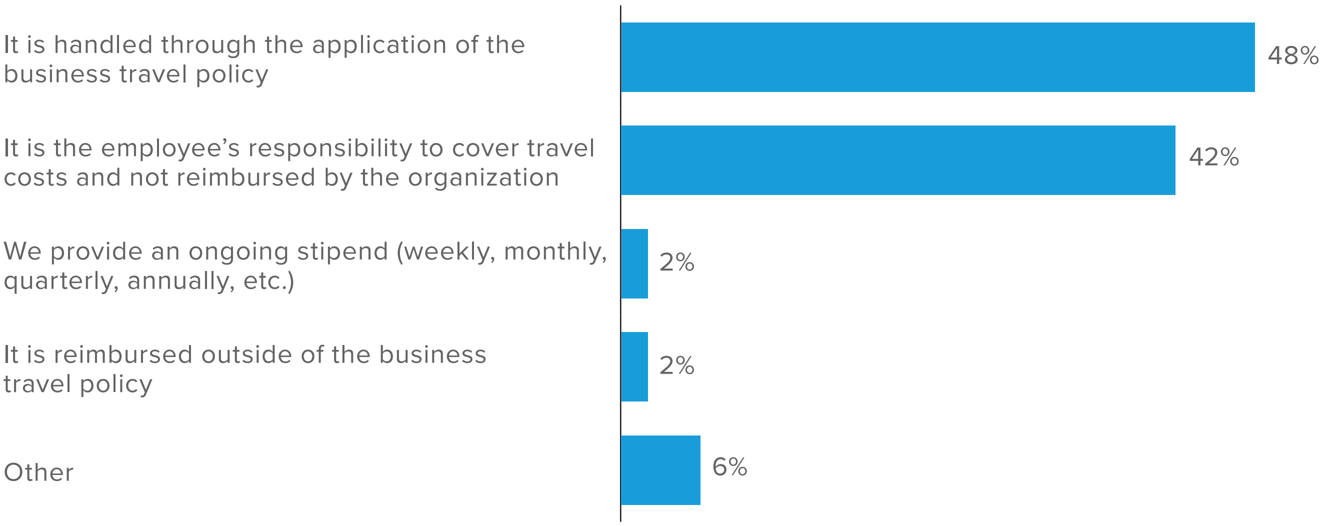
TRAVEL COSTS FOR HYBRID ROLES OUTSIDE OF A NORMAL COMMUTE

QUESTION

For your employees in hybrid roles outside of a normal commute that are required to travel to their assigned work location, how are the travel costs handled?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question..

RESULTS

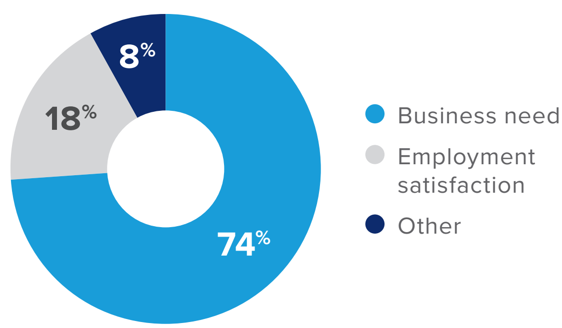


n=243

What was most influential for setting your policy for travel of hybrid roles?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

n=245



PARTICIPANT PROFILE

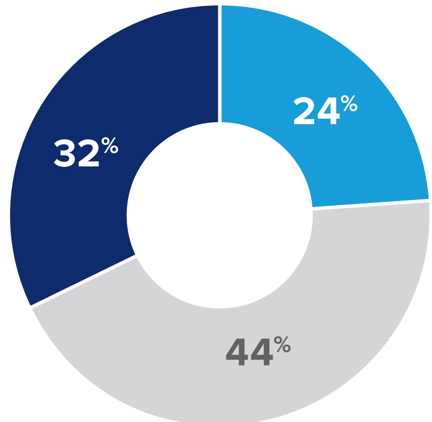
EMPLOYER
PARTICIPANT PROFILE

INDUSTRY

Manufacturing	14%
Technology (including IT)	14%
Healthcare/ Pharma	13%
Consulting and Professional Services	8%
Financial Services	8%
Insurance	7%
Energy	4%
Retail	4%
All Other	29%

n=825

ORGANIZATION SIZE



- Fewer than 1,000 employees
- 1,000-9,999 employees
- 10,000 or more employees

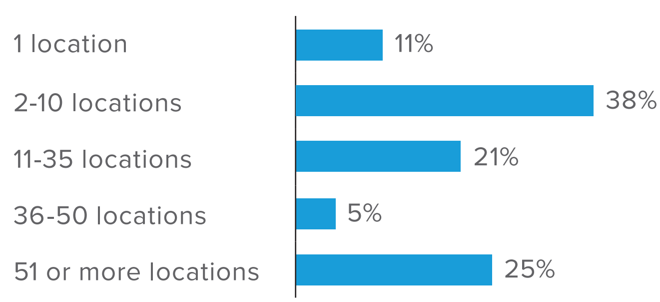
n=825

SECTOR

Private sector, publicly traded (stock ticker)	42%
Private sector, privately held	40%
Nonprofit/Not-for-profit	13%
Government/public sector (local, state, federal government)	6%

n=825

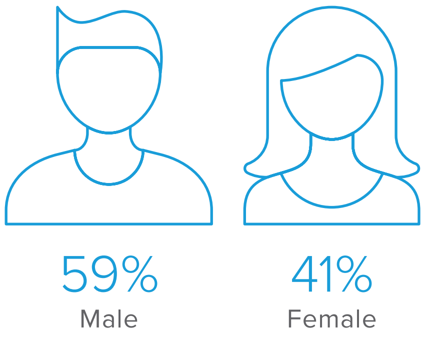
LOCATIONS



n=774

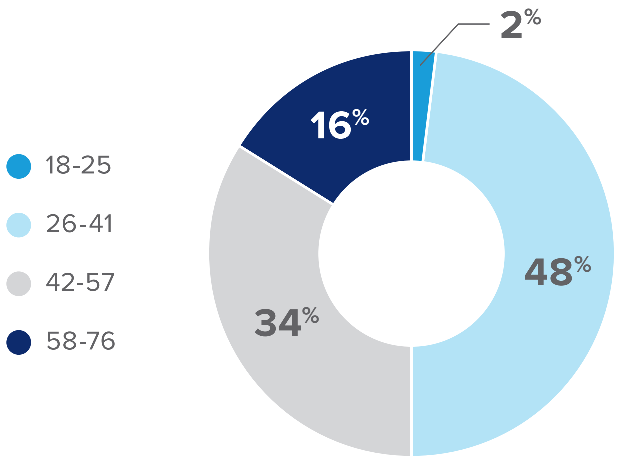
EMPLOYEE
PARTICIPANT PROFILE

GENDER



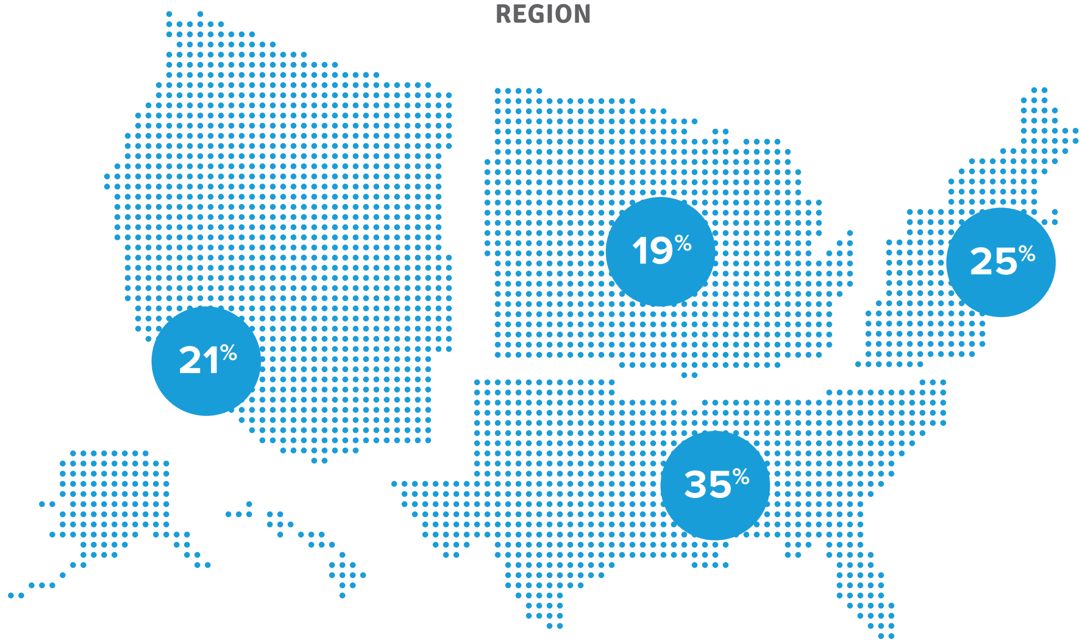
n=310

AGE



n=310

REGION



n=286

EMPLOYER RESULTS BY GROUP

- **INDUSTRY**
- **ORGANIZATION SIZE**
- **SECTOR**
- **U.S. LOCATIONS**

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INDUSTRY

U.S. GEOGRAPHIC PAY POLICY PREVALENCE

QUESTION

Does your organization have a U.S. geographic pay policy?

Participants responding that they have employees working in more than one geographic area within the U.S. and employees working full-time remotely received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**858**	100	112	110
Yes	**57%**	44%	67%	54%
No	**44%**	56%	33%	46%

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INDUSTRY

GEOGRAPHIC PAY POLICY MODIFICATION CONSIDERATION

QUESTION

With the increase in full-time remote work, has your organization considered modifying or has recently modified the U.S. geographic pay policy?

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**428**	40	71	55
Yes, we are considering modifying our policy	**38%**	48%	44%	31%
Yes, we have modified our policy within the past 12 months	**17%**	15%	20%	11%
No	**45%**	38%	37%	58%

INDUSTRY

EFFECTIVENESS OF GEOGRAPHIC PAY POLICY ON REDUCING EMPLOYEE TURNOVER

QUESTION

Please indicate how effective your organization's geographic pay policy has been on reducing employee turnover.

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**299**	26	45	43
Not effective at all	**7%**	12%	4%	16%
Somewhat effective	**31%**	31%	38%	30%
Moderately effective	**42%**	50%	33%	47%
Very effective	**17%**	4%	22%	5%
Extremely effective	**3%**	4%	2%	2%

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INDUSTRY

TRANSPARENCY OF GEOGRAPHIC PAY POLICIES

QUESTION

How transparent is your organization at communicating the geographic pay policy and procedure to employees?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**465**	44	75	59
Not at all transparent	**19%**	23%	17%	25%
Somewhat transparent	**37%**	30%	32%	51%
Moderately transparent	**24%**	16%	13%	10%
Very transparent	**16%**	25%	32%	14%
Extremely transparent	**4%**	7%	5%	0%

INDUSTRY

GEOGRAPHIC PAY PHILOSOPHY

QUESTION

What is your organization's pay philosophy in relationship to geography?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees in hybrid roles outside a normal commute received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**856**	101	114	114
Separate base pay structures for each/ different geographic area	**24%**	17%	33%	21%
Apply geographic pay differentials as a premium/discount to a baseline/single pay structure	**36%**	36%	37%	40%
Apply geographic pay differentials as a premium/discount to individual pay	**9%**	4%	10%	12%
Single pay structure, in which pay is not differentiated by geographic area (e.g., national, quarters)	**25%**	36%	15%	20%
Other	**6%**	8%	5%	7%

INDUSTRY

GEOGRAPHIC DIFFERENTIAL INDICATORS

QUESTION

What indicator(s) is your organization's geographic differential based on? Please select all that apply.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**641**	67	98	91
Zip code	**21%**	25%	13%	19%
City/metropolitan area	**56%**	49%	58%	54%
State	**27%**	28%	34%	31%
Work locations (e.g., offices, factories, distribution centers)	**32%**	34%	31%	35%
Region (e.g., West Coast, Northwest, Southeast, Midwest)	**12%**	9%	14%	13%
Country	**8%**	3%	15%	15%
Similar market zones (e.g., 1 = NYC, San Francisco; 2 = Boston, Chicago)	**28%**	18%	35%	35%
Other	**4%**	9%	4%	2%

INDUSTRY

FULL-TIME REMOTE WORKER RELOCATION FLEXIBILITY

QUESTION

What is your organization's degree of flexibility to allow full-time remote workers to voluntarily relocate?

Participants responding "Yes" to employing full-time remote workers within the U.S. received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**745**	94	101	94
Not at all flexible	**6%**	4%	4%	9%
Somewhat flexible	**38%**	35%	31%	53%
Moderately flexible	**25%**	23%	26%	23%
Very flexible	**21%**	28%	23%	7%
Extremely flexible	**10%**	10%	17%	7%

WorldatWork
Total Rewards Association

INDUSTRY

FULL-TIME REMOTE WORKER RELOCATION

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**328**	30	50	44
Yes; we will establish a legal entity anywhere in the U.S.	**29%**	43%	22%	21%
Yes; anywhere in the U.S. with the exception of certain states	**19%**	17%	22%	21%
Yes; we will use a Professional Employer Organization (PEO) where we do not have a legal entity	**2%**	0%	6%	0%
No	**27%**	13%	32%	39%
No, but we are considering	**13%**	10%	10%	16%
Considering on a case-by-case basis	**3%**	3%	4%	2%
Other	**7%**	13%	4%	2%

WorldatWork
Total Rewards Association

INDUSTRY

RELOCATION STIPULATIONS

QUESTION

To be considered under the geographic pay policy, what are the stipulations to employees voluntarily relocating to a different geography? Please select all that apply.

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**450**	44	75	57
There are no stipulations to changing geographic location to employees	**38%**	34%	45%	28%
Must maintain current work location	**10%**	11%	4%	12%
Limited to any state the organization has a legal entity	**23%**	23%	25%	26%
Within any travel means from a physical location daily	**8%**	2%	5%	16%
Within any travel means from a physical location periodically	**6%**	2%	5%	9%
Limited to states where the employee's current paying entity has a location/ legal establishment	**12%**	5%	12%	9%
We are considering stipulations to changing geographic location to employees	**12%**	16%	11%	11%
Relocations on case-by-case basis	**2%**	0%	1%	0%
Other	**8%**	14%	5%	7%

INDUSTRY

EFFECTIVE DATE FOR VOLUNTARY RELOCATION PAY ADJUSTMENTS

QUESTION

For employees voluntarily relocating and impacted by the geographic pay policy resulting in a pay change, when will the change take effect?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**437**	41	74	55
Immediately	**29%**	32%	32%	26%
During the first pay period in the employee's new geography	**44%**	39%	41%	53%
Phased/transitioned over a period of time, if adjustment is reduction	**8%**	10%	11%	6%
At the time of annual review/adjustment	**8%**	10%	10%	6%
At the beginning of the year (calendar or fiscal)	**1%**	0%	1%	0%
On a case-by-case basis	**2%**	2%	1%	2%
Other	**9%**	7%	4%	9%

WorldatWork
Total Rewards Association

INDUSTRY

TRAVEL COSTS FOR HYBRID ROLES OUTSIDE OF A NORMAL COMMUTE

QUESTION

For your employees in hybrid roles outside of a normal commute that are required to travel to their assigned work location, how are the travel costs handled?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**243**	32	30	34
We provide an ongoing stipend (weekly, monthly, quarterly, annually, etc.)	**2%**	6%	0%	0%
It is handled through the application of the business travel policy	**48%**	53%	43%	62%
It is reimbursed outside of the business travel policy	**2%**	0%	0%	3%
It is the employee's responsibility to cover travel costs and not reimbursed by the organization	**42%**	31%	57%	35%
Other	**6%**	9%	0%	0%

QUESTION

What was most influential for setting your policy for travel of hybrid roles?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Health Care/ Pharmaceutical	Technology (including IT)	Manufacturing
n=	**245**	32	30	34
Business need	**74%**	66%	73%	85%
Employment satisfaction	**18%**	19%	20%	12%
Other	**8%**	16%	7%	3%

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Total Rewards Association

ORGANIZATION SIZE

U.S. GEOGRAPHIC PAY POLICY PREVALENCE

QUESTION

Does your organization have a U.S. geographic pay policy?

Participants responding that they have employees working in more than one geographic area within the U.S. and employees working full-time remotely received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**858**	193	356	251
Yes	**57%**	39%	60%	65%
No	**44%**	61%	40%	36%

WorldatWork
Total Rewards Association

ORGANIZATION SIZE

GEOGRAPHIC PAY POLICY MODIFICATION CONSIDERATION

QUESTION

With the increase in full-time remote work, has your organization considered modifying or has recently modified the U.S. geographic pay policy?

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**428**	66	198	149
Yes, we are considering modifying our policy	**38%**	29%	37%	43%
Yes, we have modified our policy within the past 12 months	**17%**	18%	19%	13%
No	**45%**	53%	44%	44%

ORGANIZATION SIZE

EFFECTIVENESS OF GEOGRAPHIC PAY POLICY ON REDUCING EMPLOYEE TURNOVER

QUESTION

Please indicate how effective your organization's geographic pay policy has been on reducing employee turnover.

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**299**	47	129	102
Not effective at all	**7%**	11%	5%	10%
Somewhat effective	**31%**	23%	32%	33%
Moderately effective	**42%**	36%	47%	40%
Very effective	**17%**	28%	16%	13%
Extremely effective	**3%**	2%	0%	4%

ORGANIZATION SIZE

TRANSPARENCY OF GEOGRAPHIC PAY POLICIES EMPLOYEE TURNOVER

QUESTION

How transparent is your organization at communicating the geographic pay policy and procedure to employees?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**465**	76	213	162
Not at all transparent	**19%**	25%	18%	18%
Somewhat transparent	**37%**	32%	41%	35%
Moderately transparent	**24%**	16%	16%	16%
Very transparent	**16%**	25%	21%	26%
Extremely transparent	**4%**	3%	4%	5%

ORGANIZATION SIZE

GEOGRAPHIC PAY PHILOSOPHY

QUESTION

What is your organization’s pay philosophy in relationship to geography?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees in hybrid roles outside a normal commute received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**856**	199	363	258
Separate base pay structures for each/ different geographic area	**24%**	20%	22%	31%
Apply geographic pay differentials as a premium/discount to a baseline/single pay structure	**36%**	24%	41%	40%
Apply geographic pay differentials as a premium/discount to individual pay	**9%**	10%	9%	7%
Single pay structure, in which pay is not differentiated by geographic area (e.g., national, quarters)	**25%**	41%	22%	18%
Other	**6%**	6%	7%	4%

ORGANIZATION SIZE

GEOGRAPHIC DIFFERENTIAL INDICATORS

QUESTION

What indicator(s) is your organization's geographic differential based on? Please select all that apply.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**641**	119	285	214
Zip code	**21%**	13%	21%	28%
City/metropolitan area	**56%**	60%	54%	58%
State	**27%**	34%	27%	23%
Work locations (e.g., offices, factories, distribution centers)	**32%**	22%	32%	38%
Region (e.g., West Coast, Northwest, Southeast, Midwest)	**12%**	23%	10%	7%
Country	**8%**	5%	7%	11%
Similar market zones (e.g., 1 = NYC, San Francisco; 2 = Boston, Chicago)	**28%**	26%	27%	27%
Other	**4%**	5%	4%	4%

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ORGANIZATION SIZE

FULL-TIME REMOTE WORKER RELOCATION FLEXIBILITY

QUESTION

What is your organization's degree of flexibility to allow full-time remote workers to voluntarily relocate?

Participants responding "Yes" to employing full-time remote workers within the U.S. received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**745**	173	314	230
Not at all flexible	**6%**	4%	5%	8%
Somewhat flexible	**38%**	39%	40%	37%
Moderately flexible	**25%**	21%	26%	26%
Very flexible	**21%**	21%	19%	21%
Extremely flexible	**10%**	14%	10%	7%

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Total Rewards Association

ORGANIZATION SIZE

FULL-TIME REMOTE WORKER RELOCATION

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**328**	60	150	106
Yes; we will establish a legal entity anywhere in the U.S.	**29%**	27%	33%	25%
Yes; anywhere in the U.S. with the exception of certain states	**19%**	25%	13%	26%
Yes; we will use a Professional Employer Organization (PEO) where we do not have a legal entity	**2%**	2%	3%	1%
No	**27%**	23%	28%	28%
No, but we are considering	**13%**	15%	13%	9%
Considering on a case-by-case basis	**3%**	0%	5%	3%
Other	**7%**	8%	6%	9%

ORGANIZATION SIZE

RELOCATION STIPULATIONS

QUESTION

To be considered under the geographic pay policy, what are the stipulations to employees voluntarily relocating to a different geography? Please select all that apply.

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**450**	75	210	161
There are no stipulations to changing geographic location to employees	**38%**	36%	39%	39%
Must maintain current work location	**10%**	8%	9%	12%
Limited to any state the organization has a legal entity	**23%**	24%	24%	21%
Within any travel means from a physical location daily	**8%**	3%	7%	12%
Within any travel means from a physical location periodically	**6%**	8%	3%	9%
Limited to states where the employee's current paying entity has a location/ legal establishment	**12%**	12%	10%	12%
We are considering stipulations to changing geographic location to employees	**12%**	17%	12%	11%
Relocations on case-by-case basis	**2%**	0%	2%	3%
Other	**8%**	9%	10%	7%

ORGANIZATION SIZE

EFFECTIVE DATE FOR VOLUNTARY RELOCATION PAY ADJUSTMENTS

QUESTION

For employees voluntarily relocating and impacted by the geographic pay policy resulting in a pay change, when will the change take effect?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**437**	71	206	156
Immediately	**29%**	25%	26%	34%
During the first pay period in the employee's new geography	**44%**	42%	44%	45%
Phased/transitioned over a period of time, if adjustment is reduction	**8%**	16%	8%	3%
At the time of annual review/adjustment	**8%**	7%	9%	8%
At the beginning of the year (calendar or fiscal)	**1%**	0%	1%	1%
On a case-by-case basis	**2%**	1%	1%	3%
Other	**9%**	9%	11%	6%

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Total Rewards Association

ORGANIZATION SIZE

TRAVEL COSTS FOR HYBRID ROLES OUTSIDE OF A NORMAL COMMUTE

QUESTION

For your employees in hybrid roles outside of a normal commute that are required to travel to their assigned work location, how are the travel costs handled?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**243**	43	104	91
We provide an ongoing stipend (weekly, monthly, quarterly, annually, etc.)	**2%**	2%	3%	1%
It is handled through the application of the business travel policy	**48%**	56%	51%	40%
It is reimbursed outside of the business travel policy	**2%**	2%	2%	1%
It is the employee's responsibility to cover travel costs and not reimbursed by the organization	**42%**	37%	38%	52%
Other	**6%**	2%	7%	7%

QUESTION

What was most influential for setting your policy for travel of hybrid roles?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Fewer than 1,000 employees	1,000-9,999 employees	More than 10,000 employees
n=	**245**	43	106	91
Business need	**74%**	56%	78%	78%
Employment satisfaction	**18%**	33%	15%	13%
Other	**8%**	12%	7%	9%

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SECTOR

U.S. GEOGRAPHIC PAY POLICY PREVALENCE

QUESTION

Does your organization have a U.S. geographic pay policy?

Participants responding that they have employees working in more than one geographic area within the U.S. and employees working full-time remotely received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**858**	334	320	101	45
Yes	**57%**	67%	54%	42%	29%
No	**44%**	34%	46%	58%	71%

WorldatWork
Total Rewards Association

SECTOR

GEOGRAPHIC PAY POLICY MODIFICATION CONSIDERATION

QUESTION

With the increase in full-time remote work, has your organization considered modifying or has recently modified the U.S. geographic pay policy?

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**428**	205	160	38	10
Yes, we are considering modifying our policy	**38%**	40%	36%	42%	20%
Yes, we have modified our policy within the past 12 months	**17%**	16%	15%	26%	20%
No	**45%**	45%	49%	32%	60%

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Total Rewards Association

SECTOR

EFFECTIVENESS OF GEOGRAPHIC PAY POLICY ON REDUCING EMPLOYEE TURNOVER

QUESTION

Please indicate how effective your organization's geographic pay policy has been on reducing employee turnover.

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**299**	138	113	17	10
Not effective at all	**7%**	10%	5%	6%	10%
Somewhat effective	**31%**	33%	27%	41%	20%
Moderately effective	**42%**	41%	44%	35%	60%
Very effective	**17%**	12%	23%	18%	0%
Extremely effective	**3%**	3%	0%	0%	10%

SECTOR

TRANSPARENCY OF GEOGRAPHIC PAY POLICIES

QUESTION

How transparent is your organization at communicating the geographic pay policy and procedure to employees?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**465**	222	174	42	13
Not at all transparent	**19%**	18%	21%	19%	8%
Somewhat transparent	**37%**	37%	41%	26%	23%
Moderately transparent	**24%**	17%	12%	26%	23%
Very transparent	**16%**	22%	25%	24%	39%
Extremely transparent	**4%**	6%	2%	5%	8%

SECTOR

GEOGRAPHIC PAY PHILOSOPHY

QUESTION

What is your organization’s pay philosophy in relationship to geography?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees in hybrid roles outside a normal commute received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**856**	344	328	104	44
Separate base pay structures for each/ different geographic area	**24%**	29%	23%	19%	14%
Apply geographic pay differentials as a premium/discount to a baseline/single pay structure	**36%**	42%	35%	24%	25%
Apply geographic pay differentials as a premium/discount to individual pay	**9%**	6%	11%	9%	7%
Single pay structure, in which pay is not differentiated by geographic area (e.g., national, quarters)	**25%**	19%	24%	41%	52%
Other	**6%**	4%	7%	7%	2%

SECTOR

GEOGRAPHIC DIFFERENTIAL INDICATORS

QUESTION

What indicator(s) is your organization's geographic differential based on? Please select all that apply.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**641**	280	254	62	22
Zip code	**21%**	23%	20%	31%	9%
City/metropolitan area	**56%**	56%	58%	50%	64%
State	**27%**	27%	27%	27%	27%
Work locations (e.g., offices, factories, distribution centers)	**32%**	38%	31%	16%	18%
Region (e.g., West Coast, Northwest, Southeast, Midwest)	**12%**	8%	13%	15%	9%
Country	**8%**	9%	9%	0%	9%
Similar market zones (e.g., 1 = NYC, San Francisco; 2 = Boston, Chicago)	**28%**	30%	28%	15%	14%
Other	**4%**	3%	4%	8%	9%

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Total Rewards Association

SECTOR

FULL-TIME REMOTE WORKER RELOCATION FLEXIBILITY

QUESTION

What is your organization's degree of flexibility to allow full-time remote workers to voluntarily relocate?

Participants responding "Yes" to employing full-time remote workers within the U.S. received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**745**	309	279	95	34
Not at all flexible	**6%**	5%	5%	5%	18%
Somewhat flexible	**38%**	39%	36%	48%	44%
Moderately flexible	**25%**	26%	28%	18%	18%
Very flexible	**21%**	19%	22%	23%	12%
Extremely flexible	**10%**	12%	10%	5%	9%

SECTOR

FULL-TIME REMOTE WORKER RELOCATION

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**328**	147	129	31	9
Yes; we will establish a legal entity anywhere in the U.S.	**29%**	29%	28%	36%	22%
Yes; anywhere in the U.S. with the exception of certain states	**19%**	19%	23%	13%	11%
Yes; we will use a Professional Employer Organization (PEO) where we do not have a legal entity	**2%**	3%	2%	0%	0%
No	**27%**	29%	25%	29%	22%
No, but we are considering	**13%**	8%	14%	19%	11%
Considering on a case-by-case basis	**3%**	4%	2%	0%	11%
Other	**7%**	8%	7%	3%	22%

WorldatWork
Total Rewards Association

SECTOR

RELOCATION STIPULATIONS

QUESTION

To be considered under the geographic pay policy, what are the stipulations to employees voluntarily relocating to a different geography? Please select all that apply.

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**450**	220	171	42	13
There are no stipulations to changing geographic location to employees	**38%**	43%	37%	26%	15%
Must maintain current work location	**10%**	10%	11%	7%	8%
Limited to any state the organization has a legal entity	**23%**	20%	24%	36%	15%
Within any travel means from a physical location daily	**8%**	11%	5%	5%	15%
Within any travel means from a physical location periodically	**6%**	7%	5%	7%	0%
Limited to states where the employee's current paying entity has a location/legal establishment	**12%**	11%	11%	10%	15%
We are considering stipulations to changing geographic location to employees	**12%**	10%	13%	21%	15%
Relocations on case-by-case basis	**2%**	3%	1%	0%	0%
Other	**8%**	7%	9%	10%	23%

SECTOR

EFFECTIVE DATE FOR VOLUNTARY RELOCATION PAY ADJUSTMENTS

QUESTION

For employees voluntarily relocating and impacted by the geographic pay policy resulting in a pay change, when will the change take effect?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/ public sector (local, state, federal government)
n=	**437**	214	164	42	13
Immediately	**29%**	36%	21%	21%	31%
During the first pay period in the employee's new geography	**44%**	40%	49%	50%	31%
Phased/transitioned over a period of time, if adjustment is reduction	**8%**	8%	8%	7%	0%
At the time of annual review/adjustment	**8%**	7%	10%	2%	23%
At the beginning of the year (calendar or fiscal)	**1%**	1%	1%	2%	0%
On a case-by-case basis	**2%**	2%	1%	2%	0%
Other	**9%**	7%	10%	14%	15%

SECTOR

TRAVEL COSTS FOR HYBRID ROLES OUTSIDE OF A NORMAL COMMUTE

QUESTION

For your employees in hybrid roles outside of a normal commute that are required to travel to their assigned work location, how are the travel costs handled?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/public sector (local, state, federal government)
n=	**243**	114	77	29	18
We provide an ongoing stipend (weekly, monthly, quarterly, annually, etc.)	**2%**	3%	3%	0%	0%
It is handled through the application of the business travel policy	**48%**	53%	49%	38%	22%
It is reimbursed outside of the business travel policy	**2%**	1%	4%	0%	0%
It is the employee's responsibility to cover travel costs and not reimbursed by the organization	**42%**	39%	38%	55%	72%
Other	**6%**	5%	7%	7%	6%

QUESTION

What was most influential for setting your policy for travel of hybrid roles?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	Private sector, publicly traded (stock ticker)	Private sector, privately held	Nonprofit/ Not-for-profit	Government/public sector (local, state, federal government)
n=	**245**	115	79	29	17
Business need	**74%**	77%	73%	66%	77%
Employment satisfaction	**18%**	17%	19%	17%	18%
Other	**8%**	7%	8%	17%	6%

U.S. LOCATIONS

U.S. GEOGRAPHIC PAY POLICY PREVALENCE

QUESTION

Does your organization have a U.S. geographic pay policy?

Participants responding that they have employees working in more than one geographic area within the U.S. and employees working full-time remotely received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**858**	81	290	154	36	188
Yes	**57%**	25%	47%	64%	72%	70%
No	**44%**	75%	53%	36%	28%	30%

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U.S. LOCATIONS

GEOGRAPHIC PAY POLICY MODIFICATION CONSIDERATION

QUESTION

With the increase in full-time remote work, has your organization considered modifying or has recently modified the U.S. geographic pay policy?

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**428**	17	125	96	23	120
Yes, we are considering modifying our policy	**38%**	29%	38%	43%	35%	37%
Yes, we have modified our policy within the past 12 months	**17%**	24%	18%	16%	17%	13%
No	**45%**	47%	44%	42%	48%	51%

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U.S. LOCATIONS

EFFECTIVENESS OF GEOGRAPHIC PAY POLICY ON REDUCING EMPLOYEE TURNOVER

QUESTION

Please indicate how effective your organization's geographic pay policy has been on reducing employee turnover.

Participants responding "Yes" to considering a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**299**	13	80	67	20	80
Not effective at all	**7%**	15%	9%	6%	10%	9%
Somewhat effective	**31%**	23%	29%	31%	30%	35%
Moderately effective	**42%**	31%	45%	42%	45%	40%
Very effective	**17%**	31%	18%	16%	10%	15%
Extremely effective	**3%**	0%	0%	5%	5%	1%

U.S. LOCATIONS

TRANSPARENCY OF GEOGRAPHIC PAY POLICIES

QUESTION

How transparent is your organization at communicating the geographic pay policy and procedure to employees?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**465**	20	137	99	26	131
Not at all transparent	**19%**	15%	23%	12%	31%	21%
Somewhat transparent	**37%**	30%	35%	39%	46%	35%
Moderately transparent	**24%**	25%	12%	16%	12%	15%
Very transparent	**16%**	25%	26%	27%	12%	24%
Extremely transparent	**4%**	5%	4%	5%	0%	5%

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U.S. LOCATIONS

GEOGRAPHIC PAY PHILOSOPHY

QUESTION

What is your organization's pay philosophy in relationship to geography?

Participants responding that they have employees working in more than one geographic area within the U.S., employees working full-time remotely or employees in hybrid roles outside a normal commute received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**856**	83	293	161	36	196
Separate base pay structures for each/ different geographic area	**24%**	8%	23%	29%	39%	24%
Apply geographic pay differentials as a premium/discount to a baseline/single pay structure	**36%**	18%	30%	37%	42%	51%
Apply geographic pay differentials as a premium/discount to individual pay	**9%**	7%	10%	7%	6%	9%
Single pay structure, in which pay is not differentiated by geographic area (e.g., national, quarters)	**25%**	59%	30%	23%	11%	12%
Other	**6%**	7%	8%	4%	3%	5%

U.S. LOCATIONS

GEOGRAPHIC DIFFERENTIAL INDICATORS

QUESTION

What indicator(s) is your organization's geographic differential based on? Please select all that apply.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**641**	35	209	124	33	173
Zip code	**21%**	14%	12%	20%	24%	35%
City/metropolitan area	**56%**	60%	60%	50%	46%	55%
State	**27%**	37%	32%	24%	30%	20%
Work locations (e.g., offices, factories, distribution centers)	**32%**	14%	28%	39%	39%	38%
Region (e.g., West Coast, Northwest, Southeast, Midwest)	**12%**	14%	13%	11%	24%	5%
Country	**8%**	3%	8%	6%	9%	10%
Similar market zones (e.g., 1 = NYC, San Francisco; 2 = Boston, Chicago)	**28%**	14%	27%	32%	27%	24%
Other	**4%**	14%	3%	2%	6%	4%

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U.S. LOCATIONS

FULL-TIME REMOTE WORKER RELOCATION FLEXIBILITY

QUESTION

What is your organization's degree of flexibility to allow full-time remote workers to voluntarily relocate?

Participants responding "Yes" to employing full-time remote workers within the U.S. received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**745**	75	253	139	30	175
Not at all flexible	**6%**	7%	7%	6%	10%	3%
Somewhat flexible	**38%**	35%	39%	42%	43%	38%
Moderately flexible	**25%**	23%	23%	24%	10%	30%
Very flexible	**21%**	20%	21%	21%	27%	18%
Extremely flexible	**10%**	16%	10%	8%	10%	10%

U.S. LOCATIONS

FULL-TIME REMOTE WORKER RELOCATION

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**328**	14	104	71	16	92
Yes; we will establish a legal entity anywhere in the U.S.	**29%**	43%	33%	24%	44%	27%
Yes; anywhere in the U.S. with the exception of certain states	**19%**	14%	17%	23%	19%	21%
Yes; we will use a Professional Employer Organization (PEO) where we do not have a legal entity	**2%**	0%	3%	1%	0%	1%
No	**27%**	21%	24%	23%	31%	33%
No, but we are considering	**13%**	14%	14%	17%	6%	4%
Considering on a case-by-case basis	**3%**	0%	2%	6%	0%	3%
Other	**7%**	7%	7%	7%	0%	11%

U.S. LOCATIONS

RELOCATION STIPULATIONS

QUESTION

Does your organization allow full-time remote workers to relocate where you do not currently have a geographic/legal entity established?

Participants responding "Yes" to employing full-time remote workers within the U.S. and "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**450**	20	133	99	26	130
There are no stipulations to changing geographic location to employees	**38%**	50%	36%	32%	54%	41%
Must maintain current work location	**10%**	10%	11%	10%	12%	9%
Limited to any state the organization has a legal entity	**23%**	10%	22%	23%	19%	24%
Within any travel means from a physical location daily	**8%**	5%	6%	8%	4%	10%
Within any travel means from a physical location periodically	**6%**	10%	6%	5%	0%	7%
Limited to states where the employee's current paying entity has a location/legal establishment	**12%**	5%	11%	14%	8%	11%
We are considering stipulations to changing geographic location to employees	**12%**	30%	13%	16%	15%	7%
Relocations on case-by-case basis	**2%**	0%	0%	3%	0%	3%
Other	**8%**	5%	10%	6%	0%	10%

U.S. LOCATIONS

EFFECTIVE DATE FOR VOLUNTARY RELOCATION PAY ADJUSTMENTS

QUESTION

For employees voluntarily relocating and impacted by the geographic pay policy resulting in a pay change, when will the change take effect?

Participants responding "Yes" to having a U.S. geographic pay policy received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**437**	19	126	99	23	129
Immediately	**29%**	37%	29%	27%	13%	31%
During the first pay period in the employee's new geography	**44%**	37%	40%	46%	52%	46%
Phased/transitioned over a period of time, if adjustment is reduction	**8%**	5%	10%	9%	17%	4%
At the time of annual review/adjustment	**8%**	11%	10%	7%	13%	8%
At the beginning of the year (calendar or fiscal)	**1%**	0%	0%	2%	0%	1%
On a case-by-case basis	**2%**	0%	1%	2%	0%	2%
Other	**9%**	11%	11%	7%	4%	9%

U.S. LOCATIONS

TRAVEL COSTS FOR HYBRID ROLES OUTSIDE OF A NORMAL COMMUTE

QUESTION

For your employees in hybrid roles outside of a normal commute that are required to travel to their assigned work location, how are the travel costs handled?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**243**	20	78	54	11	61
We provide an ongoing stipend (weekly, monthly, quarterly, annually, etc.)	**2%**	5%	1%	0%	9%	3%
It is handled through the application of the business travel policy	**48%**	35%	45%	52%	55%	53%
It is reimbursed outside of the business travel policy	**2%**	0%	4%	0%	0%	2%
It is the employee's responsibility to cover travel costs and not reimbursed by the organization	**42%**	55%	46%	41%	27%	38%
Other	**6%**	5%	4%	7%	9%	5%

QUESTION

What was most influential for setting your policy for travel of hybrid roles?

Participants responding "Yes" to employing hybrid roles outside of a normal comute within the U.S. received this question.

RESULTS

	All	1 location	2-10 locations	11-35 locations	36-50 locations	51 or more locations
n=	**245**	21	78	55	11	61
Business need	**74%**	48%	72%	78%	82%	85%
Employment satisfaction	**18%**	43%	22%	11%	9%	10%
Other	**8%**	10%	6%	11%	9%	5%

EMPLOYEE RESULTS BY GROUP

▶ **GENDER**

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GENDER

EMPLOYEE PERCEPTIONS OF TRANSPARENCY OF GEOGRAPHIC PAY POLICIES

QUESTION

How transparent do you feel your organization is at communicating the geographic pay policy and procedure?

RESULTS

	All	Male	Female
n=	**220**	148	71
Not at all transparent	**6%**	3%	11%
Somewhat transparent	**10%**	7%	17%
Moderately transparent	**11%**	37%	31%
Very transparent	**36%**	7%	18%
Extremely transparent	**38%**	45%	23%

GENDER

EMPLOYEE REMOTE WORK AND GEOGRAPHIC PAY POLICY IMPACT

QUESTION

Has your organization increased the ability for employees to work remote? Please select all that apply.

RESULTS

	All	Male	Female
n=	**312**	183	127
Yes; full time	**65%**	71%	58%
Yes; hybrid (i.e., some time in the office and remote work)	**52%**	48%	56%
No	**5%**	3%	7%

QUESTION

Have you been working more remote?

Participants responding their organization has increased the ability to work remote received this question.

RESULTS

	All	Male	Female
n=	**298**	178	118
Yes; full-time	**49%**	50%	48%
Yes; hybrid	**44%**	47%	40%
No	**7%**	3%	13%

GENDER

EMPLOYEE REMOTE WORK AND GEOGRAPHIC PAY POLICY IMPACT

(continued)

QUESTION

With the increase in the ability to work more remote, have you been impacted by a geographic pay policy?

Participants responding their organization has a geographic pay policy and an increased ability to work remote received this question.

RESULTS

	All	Male	Female
n=	**212**	144	67
Yes	**71%**	79%	55%
No	**29%**	22%	45%

QUESTION

Does the impact of your organization's geographic pay policy influence your desire to relocate?

Participants responding they have been impacted by a geographic pay policy due to the increase in remote work received this question.

RESULTS

	All	Male	Female
n=	**150**	113	37
Yes	**91%**	93%	84%
No	**9%**	7%	16%

GENDER

EMPLOYEE PERCEPTIONS OF REMOTE WORK POLICY CHANGES

QUESTION

If your employer decided that remote work will not be allowed and you will be required to work in-person full-time, what would you do?

RESULTS

	All	Male	Female
n=	**312**	183	127
I would look for a different job prior to returning to work in-person	**38%**	44%	29%
I would not return to work in-person even if I didn't have another job to go to	**7%**	6%	8%
I would return to work in-person per my employer's request	**55%**	51%	63%

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