

2016 Empsight Policies Practices & Merit Survey

Please Submit Survey Responses Online at www.empsight.com/practices

Overview

Thank you for participating in our **Policies, Practices & Merit Survey for 2016**.

This survey is targeted at Fortune 1,000 and large multinational companies in the U.S. Results will be provided **free of charge** to those who participate. **Survey is open for participation until May 31, 2016.**

Please call us with any questions at 212.683.7745 x101 or email us at surveys@empsight.com.

Contact & Organization

Please enter your contact and organization information below.

First Name: _____

Last Name: _____

Job Title: _____

Email Address: _____

Phone Number: _____

Organization Name: _____

Number of U.S. Employees: _____

Revenue Category

- A. \$30 Billion and Above
- B. \$15-30 Billion
- C. \$10-15 Billion
- D. \$5-10 Billion
- E. \$3-5 Billion
- F. \$1-3 Billion
- G. Less than \$1 Billion

Organization Revenue (in \$Billions): _____

Industry

- Chemical / Metal
- Consumer Products
- Energy
- Financial Services
- Insurance
- Media / Entertainment
- Pharmaceutical
- Real Estate / Construction
- Retail
- Technology
- Telecommunications
- Transportation / Transport Svcs
- Other

Company Type

- Public
- Private
- Other

Compensation Competitiveness Philosophy

1) What is your company's compensation philosophy relative to the market for base salary and total cash compensation?

	Market Average	Market Median	Market 65th Percentile	Market 75th Percentile	Above Market 75th Percentile	Below Market Median	No Philosophy
Base Salary	()	()	()	()	()	()	()
Total Cash Compensation	()	()	()	()	()	()	()

2) How does your company's aggregate base pay practice compare to your stated philosophy?

- at the desired position
- above the desired position
- below the desired position

3) Salary Structure Design: How many salary structures do you use in your organization?

0 _____ [] _____ 50

[] Not Applicable - We Don't Use Salary Structures

4) Salary Structure Design: What is the primary basis for salary structure differentiation?

- Geography
- Industry Segment
- Business Unit
- Combination of Geography & Industry
- Other: _____

2016 Salary Increase Budget

5) What is your salary structure increase for 2016, if known?

6) What is your 2016 budget for the items below (in percent) Please include 0's if there is a zero increase planned. Note: The cells will accept decimal points

	Overall	Executives	Management	Professionals	Support / Non-Exempt
Merit Increase					
Promotional Increases					
Special Adjustments / Other*					
Total Increase					

* e.g. high potential adjustment, bring to minimum / market adjustment

Salary Increase Budget Comments: **Please include any comments that would help us better understand your 2016 salary increase budget.**

2017 Salary Increase Forecasts

7) What is your forecasted salary structure increase for 2017, if known?

8) What is your 2017 forecast for the items below (if known) in percent? Please include 0's if there is a zero increase planned. Note:the cells will accept decimal points

	Overall	Executives	Management	Professionals	Support / Non-Exempt
Merit Increase					
Promotional Increases					
Special Adjustments / Other*					
Total Increase					

* e.g. high potential adjustment, bring to minimum / market adjustment

Salary Increase Forecast Comments: Please include any comments that would help us better understand your 2017 salary increase forecast.

9) Do you treat high potential employees differently from a compensation perspective?

- No
- Yes

10) If yes, do you target high potential employees:

- Higher percentile in the range
- Higher pay increase
- Extra Short Term Incentive (STI)
- Extra Long Term Incentives (LTI)
- Other: _____

Short Term Incentives

11) What percent of employees are eligible for Short Term Incentives (STI) overall and by level? Also, indicate the percent who received an STI in 2016 overall and by level.

STI is defined as the annual short term incentive paid in the current year for prior fiscal year performance (please exclude nonperformance based bonuses - sign-on, spot, holiday, retention, partial year).

	STI Eligible %	STI Received Award %
Overall		
Executives		
Management		
Professionals		
Support / Non-Exempt		

12) Relative to bonus payouts in 2015, were your payouts in 2016 for 2015 performance (for the average incumbent who received a bonus)

- Higher
- Lower
- About The Same
- Did not payout in 2016
- Do not have short term incentive program

13) Please indicate the percent that your bonus payouts were higher in 2016 for 2015 performance relative to payouts in 2015 for 2014 performance. The percent should reflect the difference (if any) for a typical incumbent earning a bonus in the plan.

14) Please indicate the percent that your bonus payouts were lower in 2016 for 2015 performance relative to payouts in 2015 for 2014 performance. The percent should reflect the difference (if any) for a typical incumbent earning a bonus in the plan.

Please provide any additional comments on your short term incentive awards for 2016.

Short Term Incentives

15) Please summarize the weighting of short term incentive payouts by individual, company, and business unit performance by level. Percents should add to 100%

Example: 50% individual performance, 25% company performance, 25% business unit performance

	Individual Performance	Company Performance	Business Unit Performance
Executives			
Management			
Professionals			
Support / Non-Exempt			

16) Does your annual incentive plan require a performance hurdle to be achieved before any bonuses under the plan formula begin to fund?

- No
- Yes

17) Does your company have a maximum ceiling on short term incentive payouts?

- No
- Yes

18) What are your company's maximum short term incentive payouts (STIP) as a percent of target?

- 100 - 109%
- 110 - 124%
- 125 - 149%
- 150 - 174%
- 175 - 199%
- 200 - 249%
- 250% and above

19) What % of pre-tax earnings is allocated to your annual incentive plan? (please exclude sales incentives)

20) Does your company use a 162m “plan within a plan” to secure the tax deductibility of payments to the Named Executive Officers (NEO)?

No

Not Sure

Yes: _____

Short Term Incentives

Please select the Individual, Operational, and Financial components that make up your Short Term Incentive Plan.

21) Individual Components

- Individual Performance Rating
- Achievement of Individual Objectives
- Other: _____
- Not applicable

22) Operational Components

- Customer Satisfaction
- Operational Performance
- Service
- Quality
- Safety Performance
- Employee Engagement
- Brand Health
- Other: _____
- Not applicable (no operational components)

23) Financial Components

- Revenue
- Earnings Per Share (EPS)
- Operating Income
- Earnings before Interest and taxes (EBIT)
- Earnings before interest, taxes, depreciation and amortization (EBITDA)
- Net Income
- Cash Flow
- Capital Efficiency
- Total Shareholder Return
- Economic Value Added (EVA)
- Return on Capital
- Other: _____
- Not Applicable

Long Term Incentives

24) What types of long term incentives (LTI) does your organization award by level?

	Not Eligible for LTI	Stock Options	Stock Appreciation Rights (SARs)	Restricted Stock	Restricted Stock Units (RSUs)	Performance Shares	Long Term Cash	ESOP	Other
EVP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SVP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supervisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lead Professional (6-8 years exp)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senior Professional (3-5 years exp)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interm. Professional (2-3 years exp)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entry Professional (0-2 years exp)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-Exempt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

Long Term Incentive Targets

25) What are your Long Term Incentive Targets for 2016 (as a percent of base salary) by level?

EVP: _____

SVP: _____

VP: _____

Director: _____

Manager: _____

Supervisor: _____

Lead Professional: _____

Senior Professional: _____

Intermediate Professional: _____

Entry Professional: _____

Support / Non-Exempt: _____

26) What actions have you taken in relation to long term awards for 2016?

Hot Jobs / Critical Workforce Segments

28) Which areas are hot jobs or critical workforce segments in your organization? You may select as many areas as you wish and rank order them in order of importance. Please list other areas that are not on this list in the comments box, if applicable.

A **hot job** can be defined as one that is new in the marketplace where the demand for skilled talent currently outstrips the supply of labor. A **critical workforce segment** is defined as jobs or job families in the organization which meet two criteria: 1. They have a disproportionate impact on the value chain of the organization (i.e., they play a key role in creating or delivering value). 2. They are in short supply in the labor market. **Source:** Hot Jobs How to Identify and Compensate Critical Workforce Segments (Worldatwork Workspan October 2015)

- _____ Data Scientist / Big Data
- _____ Cloud Computing Development / Architecture
- _____ IT / Information Security
- _____ UI/UX designers/Developers
- _____ ERP / SAP / Oracle Developer
- _____ Mobile Applications Development
- _____ Web Development
- _____ Agile Project Management
- _____ Digital Marketing
- _____ E-commerce
- _____ Corporate Compliance
- _____ Anti-Money Laundering / Bank Secrecy Act Compliance
- _____ Chief Commercial Officer
- _____ Sales
- _____ Engineering
- _____ Privacy Management
- _____ Diversity & Inclusion

Comments:

29) Please describe methodologies to identify hot jobs and critical workforce segments in your organization.

30) Does your company use any of the following strategies to compensate hot jobs and/or critical workforce segments? (You may check multiple options)

Pay Premiums: Benchmark hot jobs against standard benchmark positions and apply a pay premium for the hot skill or criticality of the role.

Hot Skills Surveys: Benchmark hot jobs using specialized hot skills surveys and pay the competitive market rate for those jobs.

Short Term Incentives (STI): Award additional short-term incentives above and beyond the normal award the job would receive if it weren't a hot job or critical workforce segment role.

Long Term Incentives (LTI): Award long-term incentive (LTI) grants, irrespective of grade level and whether the job is normally eligible to receive LTI.

Pay Penetration: Target a higher percentile within the range.

Structure Modification/Grade Assignment: Assign hot jobs to a different salary range and/or pay structure.

Other Strategies: _____

Impact of New Proposed FLSA Regulations - Supervisors

31) What your Supervisory Headcount (exclude team leaders and managers)

Overall Headcount: _____

Number Supervisors below \$50,400 (New Proposed FLSA Salary Test Limit): _____

Number Exempt: _____

Number Non-Exempt: _____

32) What proportion of Exempt Supervisors are paid Overtime?

33) At what rate is overtime paid to Exempt Supervisors?

- Straight Time
- 1.5 X Hourly Rate
- Comp Time
- Flat Dollar Amount
- Not Applicable / Don't Pay Overtime to Exempt Supervisors
- Other: _____

34) Do you plan on implementing new policies in response to the proposed FLSA regulations? If so, please describe.

- No
- Yes: _____

35) What resources do you intend to use in response to changes in FLSA regulations?

- Internal
- External / Consultants
- Combination of Internal & External

Shift Differentials

For the questions in this section, please use the following definition of shifts: 1st Shift is day shift (e.g. 7 am to 3 pm), 2nd Shift is evening shift (e.g. 3 pm to 11 PM), 3rd Shift is night shift (e.g. 11 pm to 7 am). If you use 12 hour shifts, please complete first shift as first 12-hour shift and 2nd shift as second twelve-hour shift and leave 3rd shift blank).

36) Does your company pay shift differentials as amounts or percents?

- No - We don't pay Shift Differentials
- Yes - in \$ Amounts
- Yes - In Percents
- Yes - Both \$ Amounts & In Percents

What are your shift differential rates as \$ amounts?

	Weekday	Saturday	Sunday	Holiday
1st Shift \$				
2nd Shift \$				
3rd Shift \$				

What are your shift differential rates in percents?

	Weekday	Saturday	Sunday	Holiday
1st Shift %				
2nd Shift %				
3rd Shift %				

Please explain why you pay in both \$ Amounts & In Percents and what rules apply?

Responses should not include information that would enable identification of yourself, someone else, or any entity, including any organization with which you are, or have been, affiliated.

37) Which job levels are eligible for Shift Premiums?

Responses should not include information that would enable identification of yourself, someone else, or any entity, including any organization with which you are, or have been, affiliated.

- Non-Exempt
- Non-Exempt Supervisors
- Exempt Supervisors
- Other

Comments:

Issues of Concern

38) Please rank your organization's level of concern on the following topics. Please describe other issues of concern in the comments box below (e.g. telecommuting, work/life balance, dependent care, elder care)

_____ Employee Morale / Engagement

_____ Falling Unemployment Rate

_____ Skills Shortages

_____ Employee Retention

_____ Compensation Competitiveness

_____ Cost of Benefits

Comments:

College Hire Practices

39) How do 2016 college hire salary rates compare to last year?

() Higher

() Lower

() About the Same

40) What percentage change (+/-) do you expect in the number of new college hires this year?

41) Please summarize your new college hire compensation practices by degree.

	Avg Hire Rate (Base)	Avg Sign-On Bonus
Bachelors (Non-Technical Degree)		
Bachelors (Technical Degree)		
Bachelors (Top Tier School)		
MBA		
MBA (Top Tier School)		
Masters (Non-MBA)		
Ph D.		

Overall Comments / Questions

42) Other Overall Comments or Questions

Thank You!

Thank you for completing the survey.