

#### **Overview**

Thank you for participating in our annual **Spot Survey of 2021 Merit Forecasts and Remote Work Practices**. The survey provides an update to results from our mid-year Policies, Practices & Merit Survey and should take 10 minutes to complete.

This survey covers the following topics:

- 2021 Planned Salary Structure Increase
- 2021 Salary Increase Forecast
- Changes in Pay Philosophy
- Approaches to Reduce the Cost of Salary Increases
- Short & Long Term Incentive Forecasts
- Remote Work Policy & Eligibility
- Use of Geographic Differentials
- Individual and Company Initiated Relocations
- Remote Work Expenses Covered

Results will be provided <u>free of charge</u> to all participants. The Survey is open for participation until COB November 30, 2020.

Please call us with any questions at 212.683.7745 or email us at <a href="mailto:spotsurvey@empsight.com">spotsurvey@empsight.com</a>.

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### **Contact & Organization**

1. Please enter your contact and organization information below. First Name Last Name Title **Email Address** Company Name Company Revenue (in \$Billions) Phone Number **Revenue Category** Industry Select Select

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## 2021 Planned Salary Structure Increase

2. Does your organization budget for U.S. salary structure increases?
○ Yes
○ No
3. What is your planned <b>2021 Salary structure forecast</b> , reflected as a percent? (for the salary structure that applies to most of your employees) Note: the cell will accept decimal points.
4. Have you revised your initial <b>2021 salary salary structure forecast</b> since May 2020? If so, please describe and indicate why.
○ Yes    ○ No    ○ Considering
Comments
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## **2021 Salary Budget Forecast**

5. Does your organization combine promot single "other" combined budget?	ions and s	special adjust	ments budgets	(as % of payroll)	into a
○ Yes					
○ No					
6. What is your <b>2021 Forecast</b> for the item your organization typically budgets for this not budgeted). <b>Note:</b> Budgets for Promotion 2.5%, reflected as a Percent of Total Payron	element, l ons and/o	but no budget	t is planned for 2	2021 (leave blan	k if typically
	Overall	Executives	Management	Professionals	Support / Non- Exempt
Merit (as % of Payroll)					
Promotions (as % of Payroll) - If Applicable					
Special Adjustments (as % of Payroll) - If Applicable					
Total Increase Budget: Merit + Promo + Special Adjustments (as % of Payroll)					
7. Have you revised your initial <b>2021 Salar</b> indicate why.	<u>y Budget</u>	Forecast sin	nce May 2020?	If so, please des	scribe and
Comments					
		/			

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### **Change in Pay Philosophy**

8. What is your organization's current and planned pay philosophy?

	Current Practice	Planning	Considering	Not Planning
Lead Market at beginning of plan year	0	0	0	0
Lag Market at beginning of plan year	0	0	0	0
Target Market at mid year	0	0	$\circ$	0
Comments				
What salary program changes are being	planned or conside	ered for 202	1?	
7. 0 0 0				
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### **Approaches to Reduce the Cost of Salary Increases**

10. Has or will your organization be utilizing any of the following approaches to help reduce the cost of salary increases?

	Used in 2020	Using in 2021	Not Using or Planning to Use
Limiting the eligibility by Location			
Limiting the eligibility by Job Level (e.g. only those below the VP level are eligible)			
Limiting the eligibility by Current Compensation (e.g. only those earning < \$200K are eligible)			
Limiting the eligibility by Performance Levels (e.g. only the highest performers are eligible)			
Limiting the eligibility by Excluding temporary employees			
Limiting the eligibility by Excluding part-time employees			
Reducing salary increase budgets from the prior year			
Providing a smaller Cost of Living (COLA) increase rather than a merit increase with no differentiation by performance			
Using "strict rules" to dictate the merit increase rather than allowing management discretion in the planning process to ensure adherence to budgets			
Using a portion of the merit budget to fund the highest performers with cash awards in addition to merit increases to "pay for performance"			
Extending the effective date of the merit increase so it occurs later in the fiscal year			
Providing cash awards in lieu of merit increases to all employees or large segments of employees			
Not allowing those at or above the salary range maximum to receive a salary increase or a cash award in lieu of merit increase			
Shifting the compensation mix so more emphasis is placed on variable compensation (e.g. increasing incentive targets without increasing base salary)			
Enter another option			



### **Short and Long Term Incentive Forecasts**

11. What is your expectation for 2021 Short Term Annual Cash Bonus Payouts relative to payouts in 2020?

	Not Applicable	Significantly Lower	Somewhat Lower	About The Same	Somewhat Higher	Significantly Higher
Executives	0	0	0	0	0	0
Management	0	0	$\circ$	0	$\circ$	$\circ$
Professionals	0	0	0	$\circ$	0	0
Non-Exempt / Support	0	0	0	0	0	0
10.14/1						

12. What is your expectation for **2021 Long Term Awards** relative to awards in 2020?

	Not Applicable	Significantly Lower	Somewhat Lower	About The Same	Somewhat Higher	Significantly Higher
Executives	0	0	0	0	0	0
Management	$\circ$	0	0	0	0	0
Professionals	$\circ$	0	0	0	0	0
Non-Exempt / Support	0	0	0	0	0	0

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## **Remote Work Policy**

3. Do you currently have a formal written policy that allows your workforce to work remotely?
Yes, for part of workforce
Yes, discretionary only by individual situation
Yes, for all of workforce
O No, entire workforce is required to work on site
4. Is your Remote Work Policy:
○ Temporary as result of COVID-19
Ongoing and Permanent
5. Are you considering making changes to your remote work policy after COVID-19 is brought under control?
Yes, remote work will be more limited
<ul> <li>Yes, considering making current temporary remote work policy permanent (if currently temporary)</li> </ul>
O Unknown - to be determined after evaluating temporary policy effectiveness
Other - please describe
6. What areas of your Remote Work program policy have recently required policy development or nodification?
☐ Employee Eligibility
☐ Management Governance & Control (approval process)
☐ Internal Communication Plans
Comments



# **Remote Work Eligibility**

17. Remote Work Eligibility - Please identify yes/no which eligibility criteria are used in your organization.

	Yes	No
All Employees Eligible whose jobs can be performed remotely	0	0
Based on Selected Job Level Categories (example: Executive, Management, Professional, Support, Operations, Technical)	0	0
Based on Performance Rating and specific Job Classification	0	0
Based on Functional Job Categories (example: Manufacturing, Finance, Administration, HR, etc.)	0	0
Based on Combination Functional Job Categories and Job Level	0	$\circ$
Based on Grade threshold	0	0
New Hires Eligible (Executive, Management & Professionals)	0	0
New Hires Eligible (Support/Administrative)	0	0
Other - Please Describe below	0	0
Comments		

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#### Remote Work Policy Guidelines and Eligibility

18. For employees who are eligible to work remotely, do you have separate policy guidelines or approvals Yes No  $\bigcirc$ Same guidelines / approval process for all remote employees Separate guidelines / approval process for various groups Separate policy for executives / management Separate policy for select categories of Non-Exempt Support - Operations, Administration, Manual Labor 19. What % of remote work is permitted for eligible employees? ○ 100% Full-Time Remote Part Time or Specific Hours/Days per Week? O Depends on Position whether Full-Time or Partial Remote Work permitted / allowed 20. Does your current remote work policy place guidelines and /or restrictions on where remote employees can work from? Yes O No 21. If yes, what restrictions are in place (please check all that apply) Remote employees must work from the same country they are currently living in Remote employees restricted from working in certain local jurisdictions due to tax/employment/liability laws ☐ Other n/a

work policy in the next 12 months?			
Yes - Please Explain			
○ No			
O n/a			
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## **Use of Geographic Differentials**

23. Does your organization currently have, or are you considering adopting, a geographic differentiated compensation policy? i.e., different compensation for individuals performing the same role in different geographic locations?
Yes, and no changes anticipated
Yes, and under review as a result of increased remote workforce
Yes, and considering changing geographic workforce distribution to reduce costs
No, and no plans to adopt
○ No, but considering adopting
If no policy and no plans to adopt, why? Check all that apply
☐ Not identified as a need
☐ People located in same areas/sufficient # structures
☐ Use national averages
<ul> <li>Operational or administrative costs for New Geographic Hires, Layoffs or Redeployment are too expensive or disruptive</li> </ul>
Apply premium pay differentials on a discretionary basis
Other
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## **Geographic Differentials**

24. What components of pay are affected by geographic differentials? Check all that apply
☐ Base Pay / Salary
Geographic premium/discount %
☐ Salary Band / Range
☐ Target Bonus Guidelines
☐ Target Equity Awards / Long-term Incentives
☐ Shift policy(s)
Overtime Pay Policies
Other
25. Does your geographic differentiated compensation policy apply to people who work 100% remotely?
○ Yes
O Yes, but we have different policy for office vs 100% remote - Please describe
○ No
○ No, but considering - Please describe.
26. Does your geographic differentiated compensation policy apply to people who have a hybrid office / remote schedule?
○ Yes
Yes, but we have a different policy for office vs hybrid office / remote - Please describe
○ No
O No, but considering - Please describe
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27. How do you track the location of remote workforce for purposes of geographic differentials? (check all that apply)
☐ Tracking and monitoring e.g., track IP address, monitor badge swipes
☐ Employee survey
Assumed to be home address (zip code)
☐ Site location where hired, whether remote or not
Other
28. If applicable, how will your organization adjust geographic differentials to accommodate a "work from anywhere" model?
O Use national average for all locations except for high-cost areas
O Pay geographic differentials for jobs required to be in high-cost areas
C Keep employees whole on base salary if they move geographically
O Prioritize attracting the right talent above maintaining current salary structure or above maintain geographic differentials
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65%



☐ Administrative Support

## **Number of Geographic Salary Areas**

29. How many different geographic salary areas do you have?							
		< 3	3 – 5		6 – 10		> 10
	Current	0	0		0		0
	Future Plan	0	0		0		0
30.	Geographic salary areas are based on:						
		City	Metro area	Zip	State/s	Region	Other
	Current	0	0	0	0	0	0
	Future Plan	0	0	0	0	0	0
31.	Lowest geographic differential (vs. nation	al avg.) <sup>9</sup>	%				
Naı	me of lowest geographic differential						
32.	Highest geographic differential (vs. nation	al avg.)	%				
Naı	me of highest geographic differential						
33.	Which job levels does the geographic pol  Executive  Management	icy apply	to? (check all	that ap	ply)		
	☐ Professionals						
	☐ Technical Professioanls						

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34. What annual base salary levels does the geographic policy apply to? Select salary ranges below (che all that apply)	ck
☐ Less than \$50,000	
\$50,001 - \$75,000	
\$75,001 - \$100,000	
\$100,001 - \$125,000	
\$125,001 - \$150,000	
\$150,001+	
35. Who does the geographic policy apply to? (check all that apply)  All Businesses	
☐ All Businesses	
☐ All Businesses ☐ Specific Business Units	



#### **Individual Initiated Relocations**

36. If an <u>individual initiates</u> a relocation (either to another physical location or to remote work) to a <u>lower cost geographic area</u>, what is the approach to applying differentials? Check all that apply

	Individual moves to a different office in a new city / region	Individual moves from office-based to remote
Case-by-case basis		
Current compensation unchanged, but factored into future merit changes		
Current compensation changed immediately		
Salary range changed to reflect new location		
Salary range changed to reflect national structure		
Other		
. If an individual initiates a relocation (eit est geographic area, what is the approach	n to applying geographic differentials	s? Check all that apply
ost geographic area, what is the approach		,
Case-by-case basis  Current compensation unchanged, but	n to applying geographic differentials Individual moves to a different	s? Check all that apply Individual moves from
est geographic area, what is the approach  Case-by-case basis	n to applying geographic differentials Individual moves to a different	s? Check all that apply Individual moves from
Case-by-case basis  Current compensation unchanged, but factored into future merit changes  Current compensation changed	n to applying geographic differentials Individual moves to a different	s? Check all that apply Individual moves from
Case-by-case basis  Current compensation unchanged, but factored into future merit changes  Current compensation changed immediately  Premium Pay differential % added	n to applying geographic differentials Individual moves to a different	s? Check all that apply Individual moves from
Case-by-case basis Current compensation unchanged, but factored into future merit changes Current compensation changed immediately Premium Pay differential % added (temporarily applied to base) Salary range changed to reflect new	n to applying geographic differentials Individual moves to a different	s? Check all that apply Individual moves from

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### **Company Initiated Relocations**

38. If the **company initiates** a relocation (either to another physical location or to remote work) to a **lower cost geographic area**, what is the approach to applying differentials? Check all that apply

	Company Initiates move to a different office in a new city / region	Company Initiates move from office-based to remote
Case-by-case basis		
Current Base compensation unchanged, but factored into future merit changes		
Current Base unchanged, but incentive component(s) modified		
Current compensation changed (decreased) immediately within Redeployment pay reduction policy guidelines		
Capped annual Base decrease adjustments over time to salary Max, and/or a position in range or Compa- ratio		
Salary range changed to reflect new location		
Other		
If the <u>company initiates</u> a relocation (eitl <u>et geographic area,</u> what is the approach		, -
	Company initiates employee move to a different office in a new city / region	Company initiates employee move from office-based to remote
Case-by-case basis		
Current compensation unchanged, but factored into future merit changes		
Current Base compensation permanently increased (changed) immediately		
Current Base unchanged, but higher temporary premium pay adjustment % applied		

Save and continue later •

		move to a different office in a new city / region	employee move from office-based to remote	
	Salary range changed to reflect new location	eflect new		
	Other	0		
Com	nments			
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## Remote Work Expenses Covered by Employer

40. Which of the following expenses do you cover for remote workers?

	Yes, full amount	Yes, partial amount	Considering	No		
Mobile Phone	0	0	0	0		
Home Internet	0	0	0	0		
One-time Allowance	0	0	0	0		
Company laptop installed with secure software	0	0	0	0		
Office equipment e.g., chair, monitor, desk, etc.	0	0	0	0		
Travel/expense reimbursement per existing policies	0	0	0	0		
Monthly stipend for other business needs	0	0	0	0		
Other (please provide details of other benefits / expenses that are covered)	0	0	0	0		
omments						
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## 2020 Empsight Compensation Surveys

41. In which Empsight compensation surveys are you planning / considering participation for 2021
☐ The Works 2021 - All our major surveys - large peers - one price
☐ Executive Compensation Survey
☐ Law Department Compensation Survey
☐ Digital Marketing / Marketing / Sales Compensation Survey
☐ Finance & Compliance Compensation Survey
☐ Information Technology & Security Compensation Survey
Government Relations & Corporate Communications Compensation Survey
☐ Human Resources Compensation Survey
Operations / Supply Chain & Logistics Compensation Survey
☐ Executive Admin Support Compensation Survey
☐ CARD & Payments Compensation Survey
☐ Hot Jobs Compensation Survey
☐ Texas Medical Center Compensation Survey
□ NYC Medical Center Compensation Survey
Custom Industry Compensation Survey - Special Request
Comments

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### **Thank You!**

Thank you for completing the Spot Survey of 2021 Merit Forecasts and Remote Work Practices. We plan to publish the results to this Survey in December.

To download a copy your responses click on the link below

**Download PDF Version**