## wtw

# Addressing pressures to provide clarity around pay programs, ranges and equity



## Organizations are most likely to communicate about:



**62**% Job level



**50%**How individual base pay is determined

They are less likely to communicate about:



**43**% Variable pay opportunities



**38**% Pay ranges

## What is the most common approach to communicating about pay programs?



4 out of 5 organizations rely on managers

Managers need to be able to help employees navigate and understand pay information communicated via:

#### Intranet

**59**%

**HR** portal

55%

**Total rewards statements** 

**52**%



## Each of the following factors drive pay program communication at 6 in 10 organizations:



Employee expectations



Company values and culture



Increasing regulatory requirements

Those selecting only one factor were most likely to cite increasing regulatory requirements

#### Why don't organizations share more pay information?

46%
Possible employee reactions\*

31%
Pay programs
not ready\*

#### \*4 or 5 ("To a very great extent" on a five-point scale)

## 6 in 10 organizations will disclose pay rate or pay range in U.S. locations where required

Disclosure includes:\*



Hiring range: **58**%



Full salary range:

**48**%

\*Applies to those already disclosing or planning to disclose in at least one location

### 7 in 10

organizations use a consistent approach for developing pay ranges



53% of global organizations provide or plan to provide a narrative on their approach to managing pay equity

1/3 of all organizations provide no data or narrative

Only 1 in 5 provide data and a narrative

Most common communication channels



35%



32% Diversity, equity and inclusion report



29% Annual report

#### Actions to take now!



**Review** foundational programs to ensure jobs and pay are managed and governed consistently and fairly

**Establish** your strategy and process for disclosing pay ranges for prospective and current employees

**Support** leaders and frontline managers in having effective pay conversations

In disclosing pay equity results, share the story behind the numbers. First establish your ambitions to guide how and when you communicate results. Develop an action plan to address and monitor any uncovered pay equity issues.

Source: The WTW 2022 Pay Clarity Survey, North America results A total of 388 employers participated in the survey, which was conducted between June 27 and July 14, 2022. Respondents employ 7.5 million employees across a range of industries.