The latest edition of the Paydata UK Reward Management Survey gives an insight into what is happening, and what is going to happen, in the world of reward.

The full report showing the overall analysis of the responses is distributed to all those who took part. Here we present an overview of the key findings from the report.

### Business Activity

<table>
<thead>
<tr>
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<th>Spring 2018</th>
<th>Autumn 2018</th>
<th>Spring 2019</th>
</tr>
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<tbody>
<tr>
<td>Of organisations expect revenues to increase</td>
<td>60%</td>
<td>54%</td>
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### Pay Reviews

- **35%** expect their pay reviews to be carried out in April
- **April** is the most popular month which marks the beginning of the new financial year
- **61%** target pay actions based on external relativities

### Pay Awards

- **Up to 3%** most common predicted pay budget for 2018 and 2019
- The two most quoted drivers for pay increases are external relativities and internal relativities
Out of cycle pay increases are most commonly expected to account for **up to 1%** of annual pay bills, in line with the results from 2018. In 2018, whilst only **48%** anticipated using these types of increase in our autumn report, **81%** used out of cycle pay increases. **83%** anticipate using out of cycle pay increases in 2019.

**Key Drivers**
- **52%** cite **market pressures** as a key driver.
- **42%** cite **internal pay alignment** as a key driver.

**Bonuses**
- Bonus levels remain stable, with more people expected to receive bonuses.
  - **41%** expect the size of bonus payments to remain consistent.

**Long-term incentive plans (LTIPs)**
Fewer organisations are using this type of incentive:
- **Spring 2018**: **43%**
- **Spring 2019**: **31%**
Gender pay gap

Incremental progress:

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<td>71% measure the gap</td>
<td>17.1%</td>
<td>16.3%</td>
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<td>with an interquartile range of 10.8% and 26.2%</td>
<td>with an interquartile range of 8.8% and 24.7%</td>
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The reporting deadline has driven the number of respondents publishing data externally to 69%, compared to 3% in 2016.

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What next?

- 46% are conducting additional analysis to identify the drivers behind their figures
- ONLY 5% intend to carry out an equal pay audit
- One third are taking no further action

Equality in the workplace

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<td>58% are looking to examine their ethnicity pay gap data</td>
<td>42% intend to investigate demographic employee data based on age</td>
<td>44% will focus on the support they provide to disabled employees</td>
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</table>
Diversity and equality initiatives

The top diversity and equality initiatives include:

1. **Networking groups** – dedicated support groups to connect and promote progression for women, parents, Black Organisation of Leadership & Development, Lesbian, Gay, Bisexual and Transgender, Disability and wellbeing, and carers who can all share their experiences.

2. **Dedicated working groups** to champion equality across the organisation – these differ from networking opportunities because they are open to all staff to discuss ideas to improve pay for under-represented groups of employees.

3. **Mentoring, coaching and sponsorship programmes** – initiatives designed to provide dedicated training and support to individuals wishing to progress.

Recruitment and Retention

Employee turnover has increased in the last year but the outlook remains steady.

- **62%** expect retention issues to persist in the next 12 months (as opposed to **40%** in spring 2018)
- **66%** anticipate recruitment difficulties in the next 12 months
- **Two thirds** of organisations have had to offer new recruits salaries that conflict with those paid to existing employees
Human Resources Budgets

Limited HR budgets remains a key challenge for teams.

Top agenda items for 2019 include:

- **78%** Pay benchmarking
- **76%** Employee opinion surveys
- **69%** Review of pay review process

The next edition of the Paydata UK Reward Management Survey will be launched in September 2019. All participants receive a comprehensive free report covering the results of the survey. To be kept up-to-date when the survey is launched, please register here.

To discuss these results, or to see how we can help with your needs, please contact us on +44 (0)1733 391 377 or via info@paydata.co.uk