

# UK Reward Management Survey

## Spring 2022 - Key Findings

**Our spring edition of Paydata's bi-annual report provides HR professionals with insights into current trends in the world of reward and benefits. We share tools, statistics and information to help manage pay and reward practices.**

The full report showing the overall analysis of the responses is distributed to all those who took part.

We hope you find this overview of the key findings from the report useful context when thinking about your own approach to pay and reward and that you contribute to our next edition in autumn 2022.

Data for the survey was collected throughout March, April and May 2022.

**REGISTER NOW**  
The autumn edition  
of the UK Reward  
Management Survey  
will launch in  
September 2022.

### Participants

# 238

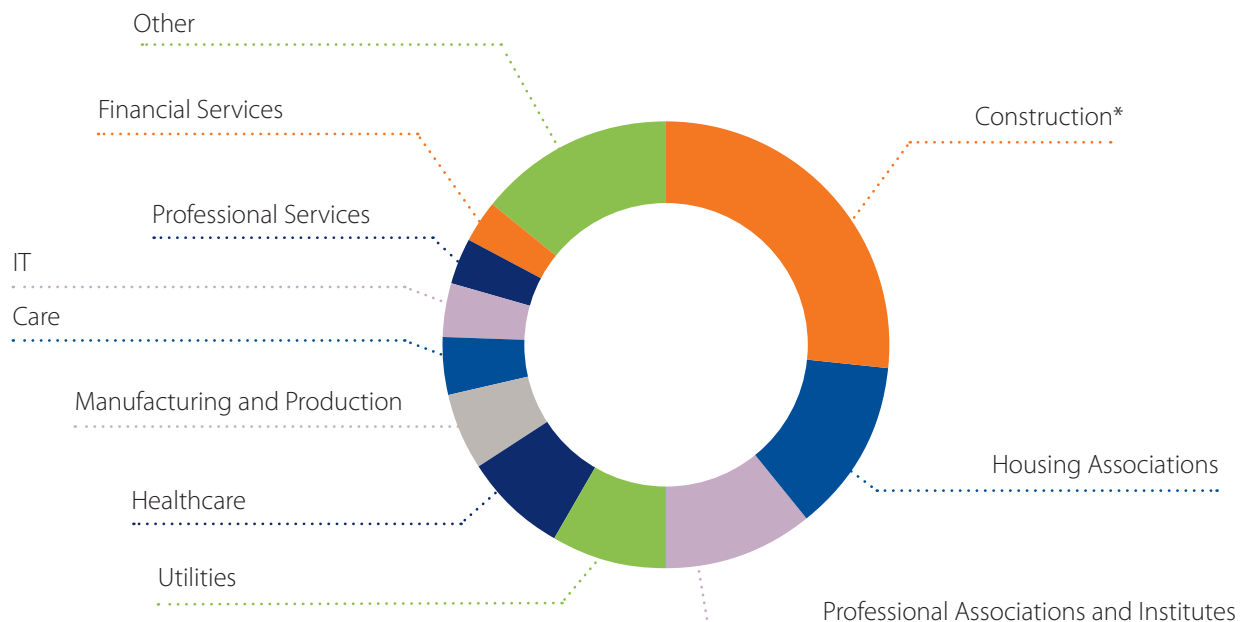


employers completed the survey from across the UK

**HALF**

# a million

Together they employ more than half a million people



\*including house building, facilities management and industrial services

## Pay Outlook



**April** remains the most popular month for pay reviews

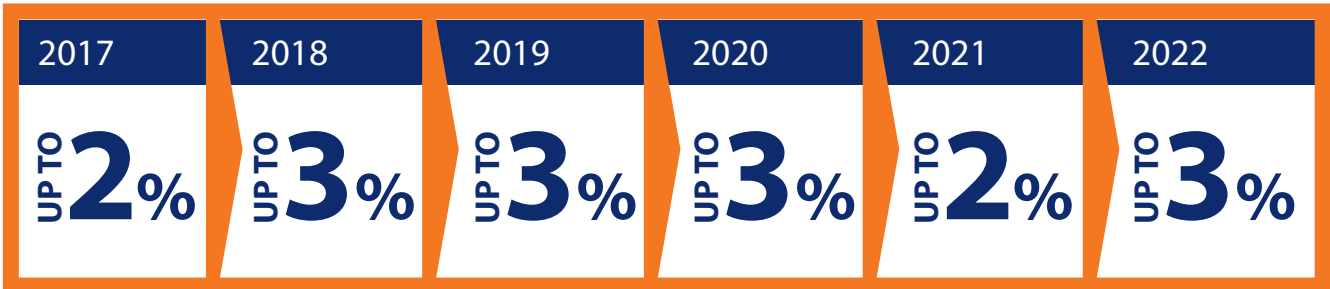
AROUND **1 in 3**

Are considering **up to four per cent** increases



Only one participant is planning a pay freeze

### Pay review budgets



### Targeting pay actions

**34%**

offer an **across the board** increase

**34%**

award a **combination of across the board and individual** increases

**14%**

make **individually determined** increases

### Key drivers for pay actions

**76%**



say that **external relativities** drive their pay actions

**45%**



target **high performing people** with pay increases

**43%**



say that their pay actions are driven by **internal relativities**

## Out of Cycle Pay Reviews (excluding promotions)

### Spring 2021

**67%**

used out of cycle pay increases

**77%**

anticipated using out of cycle pay increases in **2021**



### Autumn 2021

**79%**

used out of cycle pay increases

**78%**

anticipated using out of cycle pay increases in **2022**



### Spring 2022

**78%**

used out of cycle pay increases

**85%**

anticipate using out of cycle pay increases



### Factors driving out of cycle pay increases:

**85%**



cite **market pressures**

**60%**



highlight **inflationary pressures**

**56%**



quote **internal pay alignment**

## Bonus Outlook

**70%**



operate a **bonus scheme**

**62%**



expect the **number of people** receiving bonus payments to stay the same

**38%**



expect the **size of bonus payments** to stay the same

## Gender pay gap reporting

**73%**

of respondents measure their  
**gender pay gap**



Spring 2020

**14.0%**

with an interquartile  
range of **8.1%** and  
**20.7%**

Spring 2021

**14.8%**

with an interquartile  
range of **5.7%** and  
**23.1%**

Spring 2022

**15.0%**

with an interquartile  
range of **8.5%** and  
**24.9%**

### Next steps

**45%**

intend to **further analyse** their figures

**10%**

will conduct an **Equal Pay Audit**

### Achieving wider equality

**73%**

have or plan to  
examine their  
**ethnicity** pay gap data

**47%**

have or intend to  
investigate employee  
data based on **age**

**50%**

have or will analyse  
**disability** related  
equality

**81%**

of respondents have an **equality,  
diversity and inclusion policy**



**63%** review their benefits provision **annually**



**1 in 7**

review their benefits  
**every other year**

**22%**

of respondents acknowledged that they have  
strengthened their benefits provision to **mitigate  
constrained pay reviews**

Leave policies

**52%**

recently reviewed  
**menopause leave**

**37%**

recently reviewed  
leave for **charity/  
voluntary work**

**36%**

recently reviewed the  
leave offered for **those  
with dependents**

Sickness absence



Levels remain  
**consistent  
with 2021**



**Covid** is the most  
popular reason



The median sick  
days in 2022 is  
**3.71** days

## Recruitment and Retention

**72%**

have had **difficulty retaining** people in contrast to **22% in spring 2021**

**85%**

have experienced **difficulty recruiting**, up from **30% in spring 2021**

**77%**

expect difficulty retaining people

**86%**

anticipate difficulty in recruiting people



### Paying higher salaries than those offered to incumbents

**71%**

have offered new recruits **salaries that conflict with those paid to existing employees** in contrast to 30% in spring 2021



**58%**

offered up to **10% more**



**39%**

offered up to **20% more**

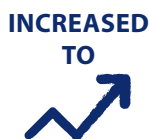
### Strategies to overcome recruitment and retention challenges

- ✓ Harnessing technology, including using tools such as LinkedIn
- ✓ Communicating the wider reward package
- ✓ Analysing 'exit interviews'

## Employers expect turnover to increase for all employees

In the last 12 months:

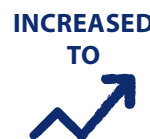
**11%**  
in spring 2021



**16%**  
in spring 2022

In the next 12 months:

**31%**  
in spring 2021



**44%**  
in spring 2021

### Drivers behind increased recruitment and retention challenges:

1

**97%**

report a **lack of suitable candidates**

2

**95%**

report **labour shortages** in the market

3

**84%**

have faced existing employees being **offered higher salaries elsewhere**

## HR Budgets and Agendas

Around **half of respondents** anticipate that budgets will **stay the same**

**43%**

think **reward management budgets will not change**, while 38% expect an increase of up to 10%

### Key priorities in 2022

**84%**



will **benchmark** pay

**81%**



will run **employee opinion surveys**

**75%**



will review their **reward framework**

The next edition of the Paydata UK Reward Management Survey will be launched in autumn 2022. 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**