

UK Reward Management Survey

Autumn 2023 - Key Findings

REGISTER NOW
The spring edition of the UK Reward Management Survey will launch in March 2024.

Our autumn 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 spring 2024.

Data for the survey was collected throughout September and October 2023.

Participants

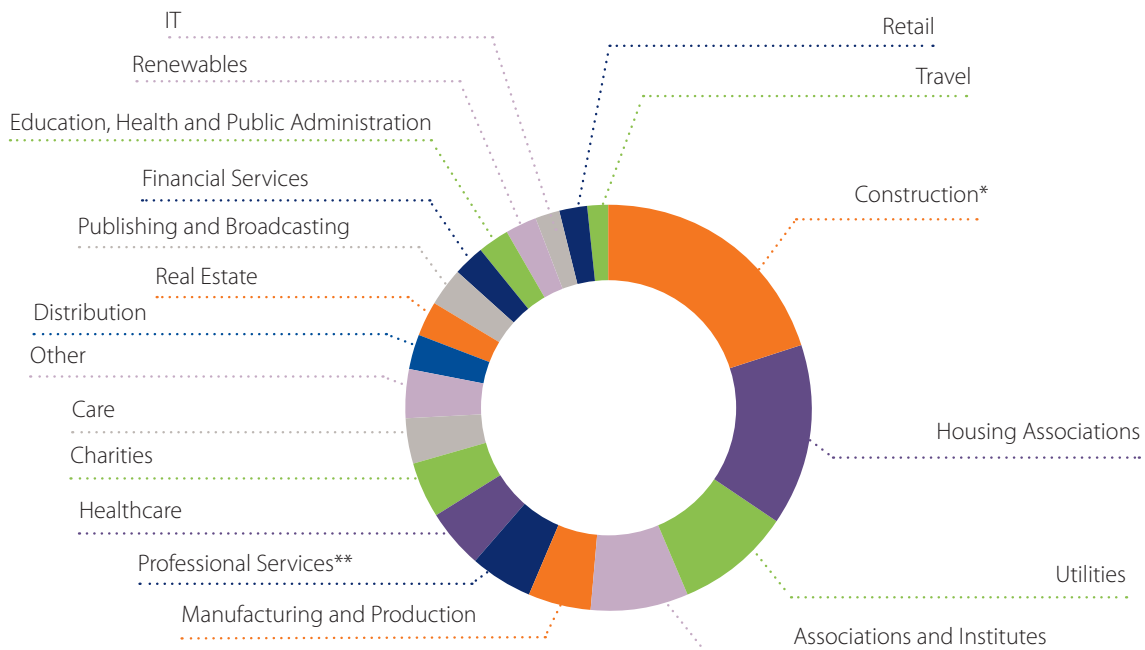
242



employers completed the survey from across the UK

500k

Together they employ more than 500,000 people

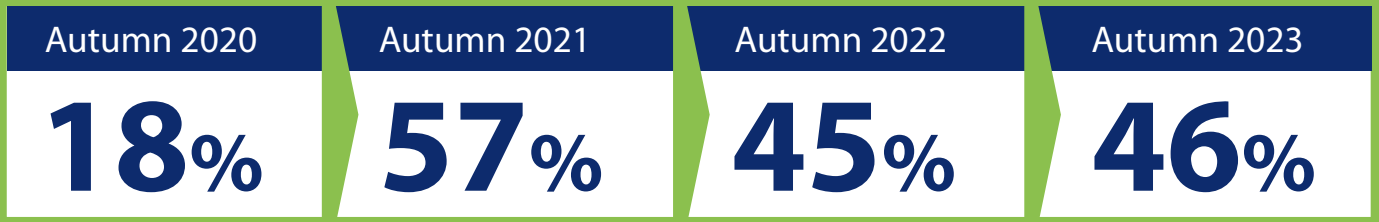


* including house building, facilities management and industrial services

** including legal, accounting and consulting

Business Outlook

Respondents expecting their **revenue levels to increase:**

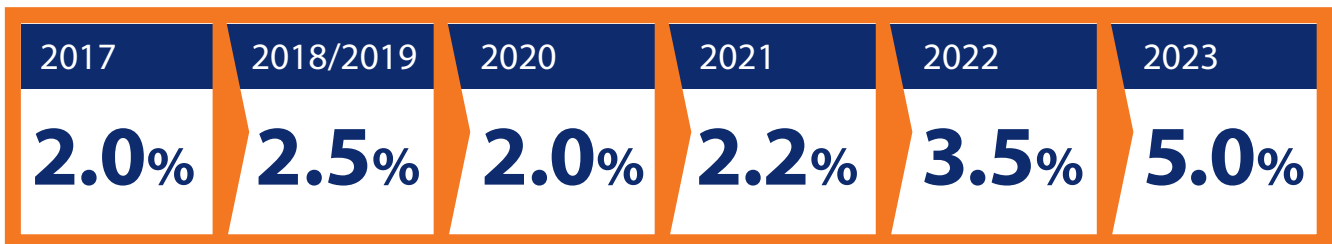


2023 Pay Awards



April remains the most popular month for pay reviews

2023 has seen a significant shift towards **higher reported median pay awards:**



Only **two per cent** of participants have reported a **pay freeze**

2024 Pay Outlook

Expected pay review budgets for 2024

4.0%

Lower Quartile

4.5%

Median

5.0%

Upper Quartile

Targeting pay actions

38%

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

35%

expect to offer an **across the board increase**

12%

intend to make **individually determined increases**

Key drivers for pay actions

73%



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

52%



say pay actions will be driven by **internal relativities**

43%



are targeting **high performing people** with pay increases

Cost of Living Support

2023

17%

paid a lump sum to support employees, reducing from 35% in autumn 2022. **Median amount: £750**



Top 3 strategies to help employees weather the crisis:

1

74%

offer **financial advice and education**

2

68%

promote discounts they offer on employee benefits platforms

3

52%

provide access to **financial wellbeing workshops and webinars**

Out of Cycle Pay Reviews (excluding promotions)

Autumn 2021

79% used out of cycle pay increases

78% anticipated using out of cycle increases in **2022**

Autumn 2022

86% used out of cycle pay increases

85% anticipated using out of cycle increases in **2023**

Autumn 2023

88% used out of cycle pay increases

88% anticipate using out of cycle increases in **2024**

1% is the **median** reported **out of cycle pay increase**

Employee Benefits

35%

offer a **flexible benefits** scheme



20%

are considering offering a flexible scheme



1

95%

report offering **pensions**

2

93%

provide an **Employee Assistance Programme**

3

82%

offer **occupational sick pay**

Bonus Outlook

74%



operate a **bonus scheme**

68%



expect the **number of people** receiving bonuses will stay the same

40%



think the **size of payments** will stay the same

Sickness Absence



Levels are **broadly consistent** with 2022



The **median** number of **sick days** in 2023 so far is **3.00 days**, compared to 3.30 days in 2022

Employee Turnover

17%

Employee turnover levels **remain consistent** at 17%

55%

expect turnover to **stay the same** in the next 12 months



Recruitment and Retention

53%

experienced retention difficulties in the last 6 months

50%

anticipate **retention difficulties to continue**

62%

experienced recruitment difficulties in the last 6 months

52%

anticipate **recruitment difficulties to continue**



Conflicting salaries

57%

have had to offer new recruits **conflicting salaries** than those offered to current staff:



63%

have offered salaries of **up to 10% more**



37%

have offered **up to 20% more**

The top 3 recruitment and retention challenges:

- 1 **89%** report labour shortages
- 2 **82%** report a lack of suitable candidates
- 3 **74%** report existing employees being offered higher salaries elsewhere

Top 3 strategies to tackle recruitment and retention challenges:

- 1 **78%** are making greater use of technology
- 2 **76%** are analysing exit interviews
- 3 **67%** are communicating the wider reward package

The next edition of the Paydata UK Reward Management Survey will be launched in spring 2024. 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