

2018 compensation and culture report

Employee Views of Compensation in
US Companies



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Survey Methodology



When – Conducted September 12, 2018

Who – 1,200 US respondents age 18+. Demographic targeted includes employed or self employed consumers

What – 17 question mobile survey

How – Direct to mobile users via Pollfish

Why – Designed to assess consumer attitude toward compensation and benefits in the workplace



Key Findings

U.S. workers want (and are creating) pay transparency

- Once considered a taboo subject, salary and pay is now more openly discussed among coworkers, with nearly half of U.S. workers admitting they know how much their colleagues make (45%) and they've shared or discussed their salary with colleagues (46%).
- Younger workers are more likely to share salary information than older workers. Fifty-six percent of Millennials (age 25-34) would share or discuss their salary with their colleagues compared to one in four (27%) Baby Boomers (age 55+).
- In fact, most U.S. workers would prefer their colleagues know their salary (66%) versus details of their sex life (20%).



Gender, race, and age (and feelings) affect pay

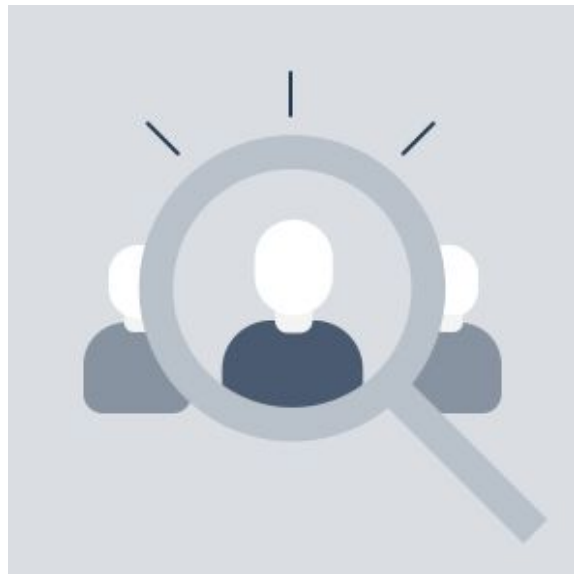
- Nearly half (48%) of U.S. workers believe men get paid more than women at their company.
- At the industry level -- despite equal skill, performance and experience -- U.S. workers believe men are paid more than women in:
 - Technology (34%)
 - Banking and finance (23%)
 - Healthcare and medical (13%)
 - Education and higher education (5%)
- When it comes to race and age, nearly one in three (31%) U.S. workers do not believe employees at their company are fairly compensated regardless of age or race.
- In fact, more than one in three (34%) U.S. workers don't believe their pay is based on their performance, experience or skill set -- rather it's based on what their manager or supervisors *feels* they deserve to make.

CEO pay gap is a concern (and motivation) for US workers

- More than three in four (78%) of U.S. workers believe that most CEOs and top executives of companies today make too much money compared to their employees.
- Over half (60%) of U.S. workers want to know their CEOs salary. They listed several reasons for wanting to know what their CEO made, including:
 - Pay transparency -- They think pay transparency creates a better company culture (28%)
 - Motivation -- They believed it would motivate them to work harder and earn more money (21%)
 - Pay gap concern -- They want to compare their salary to their CEO's salary (11%)

Despite wanting more pay transparency across the company, US workers stay quiet about discussing salary with their manager

- Less than one in five (19%) U.S. workers are comfortable discussing salary and compensation with their manager or supervisor.
- Nearly one in four (20%) admit they would not ask their manager for more money if they found out a colleague of equal skill set and experience made more money than they did.
- Over half (54%) don't plan to ask for a raise or additional benefits before the end of the year. In fact, nearly one in three (29%) U.S. workers are planning to get a new job within the year because they're unhappy with their salary and compensation.



“Today’s workforce demands pay transparency because they believe it will motivate employees to work harder, create a better company and ultimately solve pay gap disparities among age, gender and race.”

- Fabio Ronga, beqom CEO

Questions

Question 1

Would you share or discuss your salary with your colleagues?

I don't know
5.3%

No
49.1%

Yes
45.6%

Almost half (46%) of US workers would share their salary with colleagues.

Question 1 additional findings

Men are more likely than women to share their salary with colleagues

- 50% of men and 43% of women would share or discuss their salary with colleagues.
- Millennial women (55%) are much more likely to discuss salary than female (17%) and male Baby Boomers (39%).

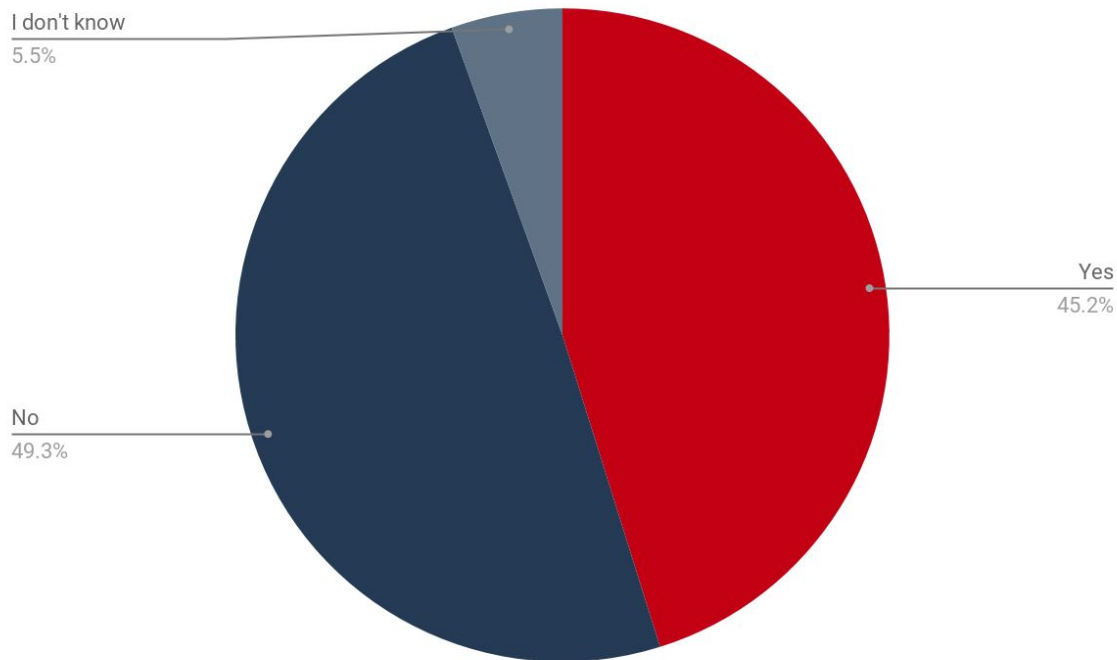
Younger generations are comfortable sharing salary information

- Gen Z (61%) is the most likely to share salary information with colleagues compared to Millennials (55%) and Baby Boomers (27%).

Question 2

Do you know how much your
colleagues make?

Nearly half (45%) of US workers know
how much their colleague makes.



Question 2 additional findings

Men are slightly more likely than women to know what their colleagues make

- 44% of female U.S. workers know what their colleagues make, compared to 47% of male workers.

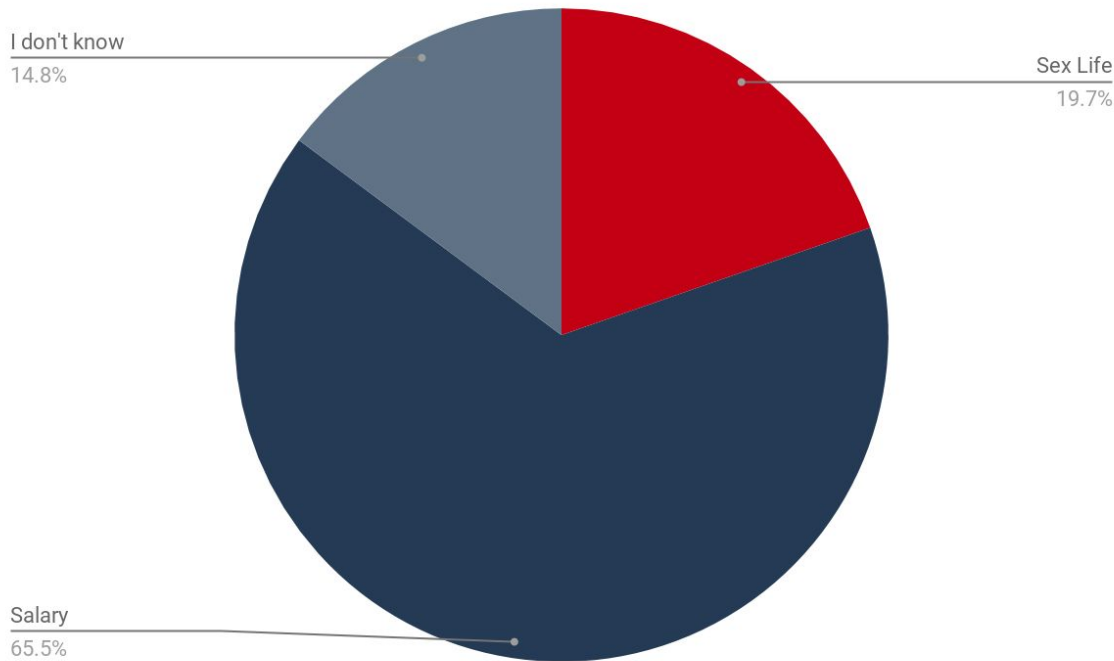
Millennials are “in-the-know” about their colleagues’ salary compared to Baby Boomers

- Over half (52%) of Millennials know how much their colleagues make, compared to just one in three (34%) Baby Boomers.

Question 3

Would you rather your colleagues know how much money (salary) you make or details about your sex life?

The majority of Americans are more willing to share salary information (65%) with their colleagues than details of their sex life (20%).



Question 3 additional findings

Men and women equally agree on sharing salary over sex life

- 66% of men and 65% of women would rather share their salary with colleagues over sex details.
- However, more Millennial women compared to Millennial men and Baby Boomer men and women say they'd prefer to share their sex life details over salary:
 - 22% of Millennial women would rather share details of their sex life over salary
 - 21% of Millennial men would rather share details of their sex life over salary
 - 12% of Baby Boomer women would rather share details of their sex life over salary
 - 20% of Baby boomer men would rather share details of their sex life over salary

Salary or sex life? Baby Boomers are more unsure than Millennials as to what they would share

- 68% of Millennials would rather their colleagues know how much money they made versus details about their sex life -- but 21% would prefer to share their sex life details and 11% are unsure which they'd prefer their colleagues to know.
- 58% of Baby Boomers would rather their colleagues know how much money they made versus details about their sex life -- but 15% would prefer to share their sex life details and 26% are unsure what they'd prefer to share.

Question 4

If you found out that your colleague of equal skill set and experience had a higher salary than you, would you ask your manager for more money?

Answer	Percent
Yes, I would ask my manager for more money	65.33%
No, I would not ask my manager for more money	19.92%
I don't know	14.75%

One in five (20%) of US workers would not ask their manager for a raise if they found out their colleague of equal skill set and experience had a higher salary, and 15% don't know if they would.

Question 4 additional findings

Men are slightly more likely than women NOT to ask their manager for a raise

- 21% of men would hold back asking their manager/supervisor for a raise if they found out a colleague of equal skill set and experience made more than them, compared to just 19% of women.
- Millennial women (68%) are most likely to ask their manager/supervisor for a raise if they found out a colleague of equal skill set and experience made more than them, compared to:
 - Millennial men (65%)
 - Baby Boomer men (64%)
 - Baby Boomer women (61%)

Millennials are more likely than Baby Boomers to ask for a raise

- 67% of Millennials compared to 63% of Baby Boomers would ask for a raise if they found out a colleague of equal skill set and experience made more than them.

Question 5

Of the following options, what are you most comfortable discussing with your manager/supervisor?

Answer	Percent
My salary/compensation	19.42%
My work performance	52.83
My career trajectory	12.58%
My happiness or discontent	11.67%
I don't know	3.50%

Less than one in five (19%) of US workers are most comfortable discussing salary or compensation with their manager/supervisor.

Question 5 additional findings

Women are more comfortable discussing their work performance and happiness or discontent than men

Women are most comfortable discussing:

- Their work performance (56%)
- Their salary/compensation (17%)
- Their happiness or discontent (12%)
- Their career trajectory (11%)

Career trajectory is a more comfortable conversation for Millennials than their happiness or discontent

Millennial workers are most comfortable discussing:

- Their work performance (51%)
- Their salary/compensation (20%)
- Their career trajectory (16%)
- Their happiness or discontent (11%)

Women are more comfortable discussing their work performance and happiness or discontent than men

Women are most comfortable discussing:

- Their work performance (56%)
- Their salary/compensation (17%)
- Their happiness or discontent (12%)
- Their career trajectory (11%)

Career trajectory is a more comfortable conversation for Millennials than their happiness or discontent

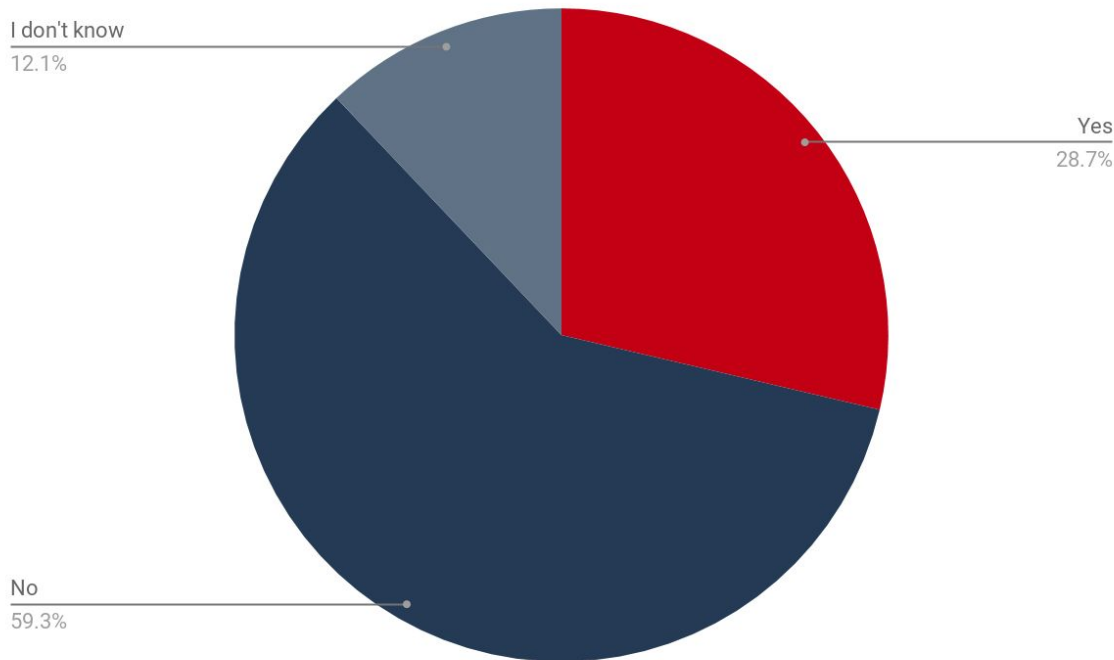
Millennial workers are most comfortable discussing:

- Their work performance (51%)
- Their salary/compensation (20%)
- Their career trajectory (16%)
- Their happiness or discontent (11%)

Question 6

Are you planning to get a new job within the next year because you're unhappy with your compensation/salary?

Almost one in three (29%) US workers are planning to get a new job within the next year because they're unhappy with their salary/compensation.



Question 6 additional findings

More men than women plan to say “goodbye” to their current employer because of pay

- 31% of men compared to 27% of women plan to get a new job within the next year because they're unhappy with their compensation.
- Two in five (39%) Millennial men and one in three (33%) Millennial women plan to get a new job within the next year because of pay.
- One in four (25%) Baby Boomer men and 9% of Baby Boomer women plan to get a new job within the next year because of pay.

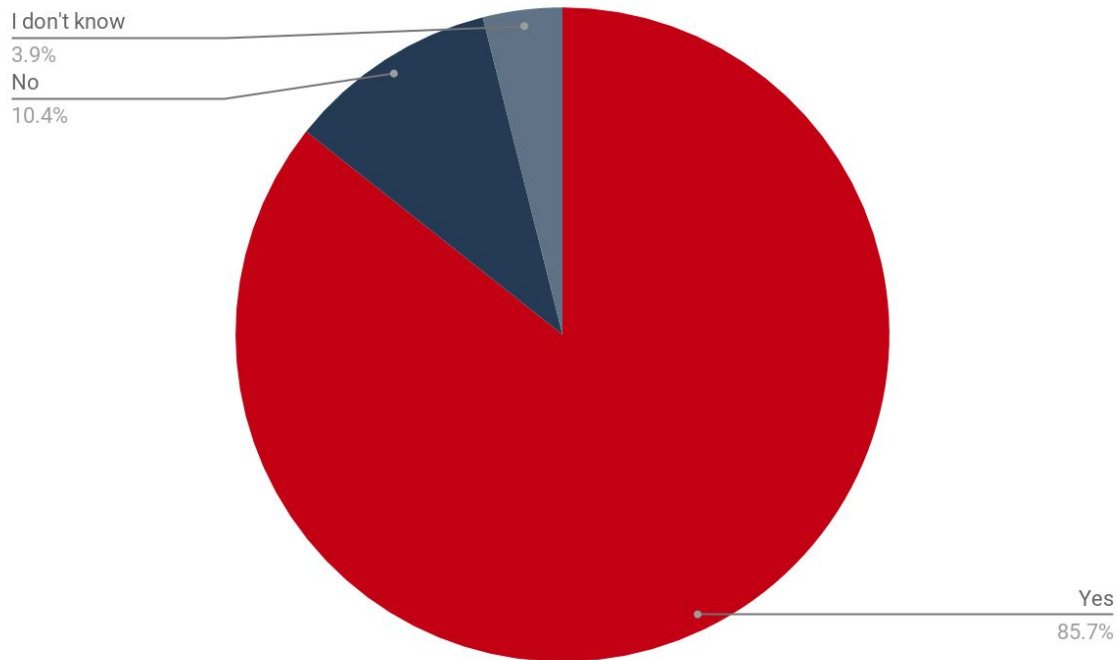
Millennials are more likely than Baby Boomers to find a new job within the next year

- Nearly two in five (36%) Millennials plan to find a new job within the next year because they're unhappy with their salary/compensation, compared to 16% of Baby Boomers.

Question 7

Do you understand your total compensation package?*

10% of today's workforce do not understand how much they make when their salary, bonuses, benefits, rewards, etc. are combined.



*The amount you make when salary, bonuses, benefits, rewards, etc. are combined

Question 7 additional findings

Men have a slightly higher understanding of their total compensation than women

- 88% of men compared to 84% of women say they understand their total compensation package (i.e. they know how much they make when their salary, bonuses, benefits, rewards, etc. are combined).

Millennials and Baby Boomers have an equal understanding of total compensation

- 85% percent of Baby Boomers and 84% of Millennials understand their total compensation package (i.e. they know how much they make when their salary, bonuses, benefits, rewards, etc. are combined).

Question 8

Do you think your pay is based on your performance, experience and skill set or what your manager/supervisor feels you deserve to make?

More than one-third (34%) of today's workforce believe their pay is determined by what their manager/supervisor feels they deserve to make and is not based on their performance, skill set and experience.

Answer	Percent
I think my pay is based on my performance, experience and skill set	57.50
I think my pay is based on what my manager/supervisor feels i deserve to make	34.00%
I don't know	8.50%

Question 8 additional findings

Women are slightly more likely than men to believe their pay is based on what their manager/supervisor feels they deserve to make

- Nearly two in five (35%) women believe their pay is based on what their manager/supervisor feels they deserve to make, compared to one in three men (33%).

Baby Boomers are less likely than Millennials to believe their pay is based on what their manager/supervisor feels they deserve to make

- One in three (33%) Baby Boomers say they think their pay is based on what their manager/supervisor feels they deserve to make, compared to nearly two in five (37%) Millennials.

“More than a third (34%) of today’s workforce believes their compensation is based on their manager’s gut feeling instead of their skill set and experience. We must do better to ensure that companies take the guesswork out of compensation and pay all employees fairly.”

- Fabio Ronga, CEO at beqom

Question 9

If you had to choose from one of the following options, what would be the main reason you would like to know what your CEO or top executive's total salary?

Answer	Percent
I want to know my CEOs salary because it would motivate me to work harder and earn more money	21.17%
I want to know my CEOs salary because I want to compare my salary to my CEOs salary	10.58%
I want to know my CEOs salary because I think pay transparency creates a better company culture	28.08%
I don't want to know my CEOs salary	36.08%
I don't know	4.08%

Question 9 additional findings

Men and women equally agree that knowing their CEOs salary would create a better, transparent company culture

- 28% want to know their CEO's salary because they think pay transparency creates a better company culture.

Baby Boomers don't want to know what their CEO makes

- Nearly half (46%) of Baby Boomers do not want to know what their CEO makes, compared to one in three (32%) Millennials.

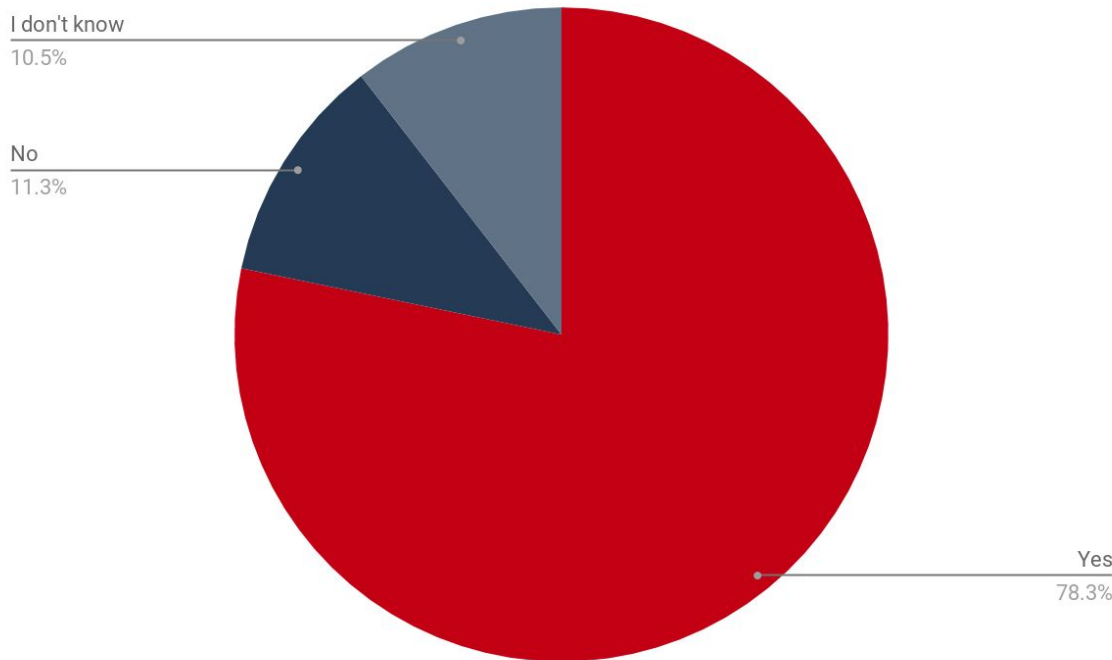
Baby Boomers are less concerned than Millennials about the CEO pay gap

- 9% of Baby Boomers compared to 12% of Millennials want to know their CEO's salary to understand how their salary compares to their CEO's.

Question 10

Do you think most CEOs or top executives of companies today make too much money compared to their employees?

The majority (78%) of US workers believe that most CEOs and top executives of today's companies make too much money compared to their employees.



Question 10 additional findings

Men are slightly more likely than women to believe CEOs make too much money compared to employees

- 80% of men and 77% of women think most CEOs or top executives of companies today make too much money compared to their employees.

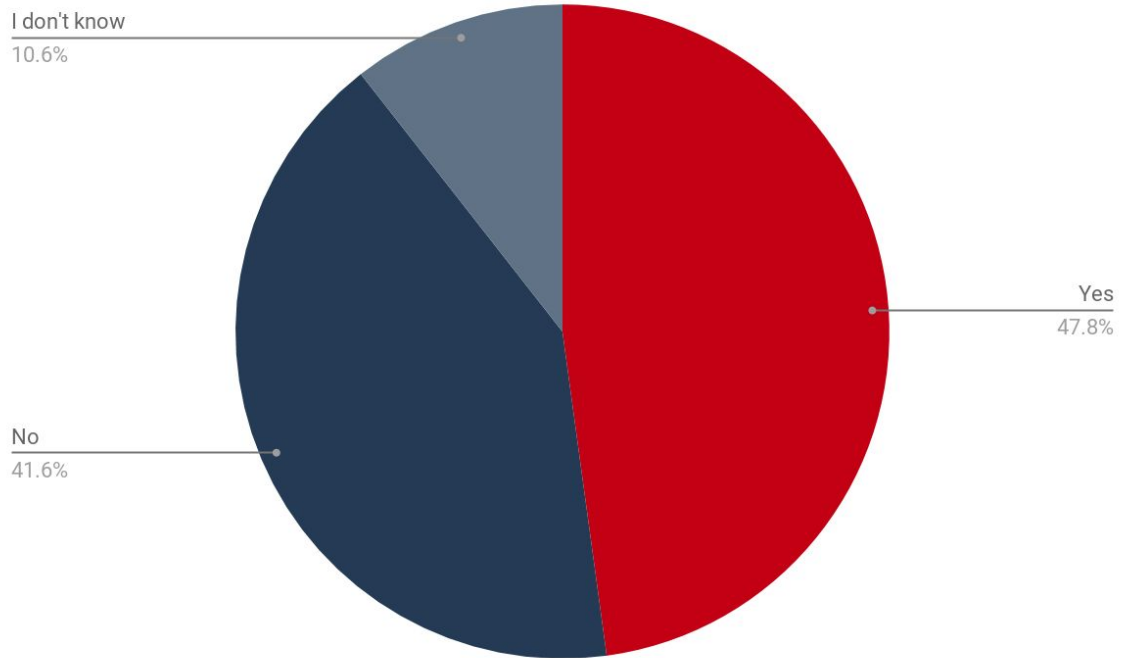
Baby Boomers are more likely to admit CEO pay gap concerns

- 83% percent of Baby Boomers -- compared to 76% of Millennials -- think most CEOs or top executives of companies today make too much money compared to their employees.

Question 11

Do you think men get paid more than women at your company?

Almost half (48%) of consumers think men get paid more than women at their place of work.



Question 11 additional findings

Women are almost 20% more likely than men to say men are paid more at their company

- More than half (52%) of women believe there is gender pay disparity at their company, compared to 42% of men.
- Baby Boomer women (56%) compared to Millennial women (51%) are more likely to believe men are paid more than women at their company.
- Baby Boomer men (49%) compared to Millennial men (43%) are more likely to believe men are paid more than women at their company.

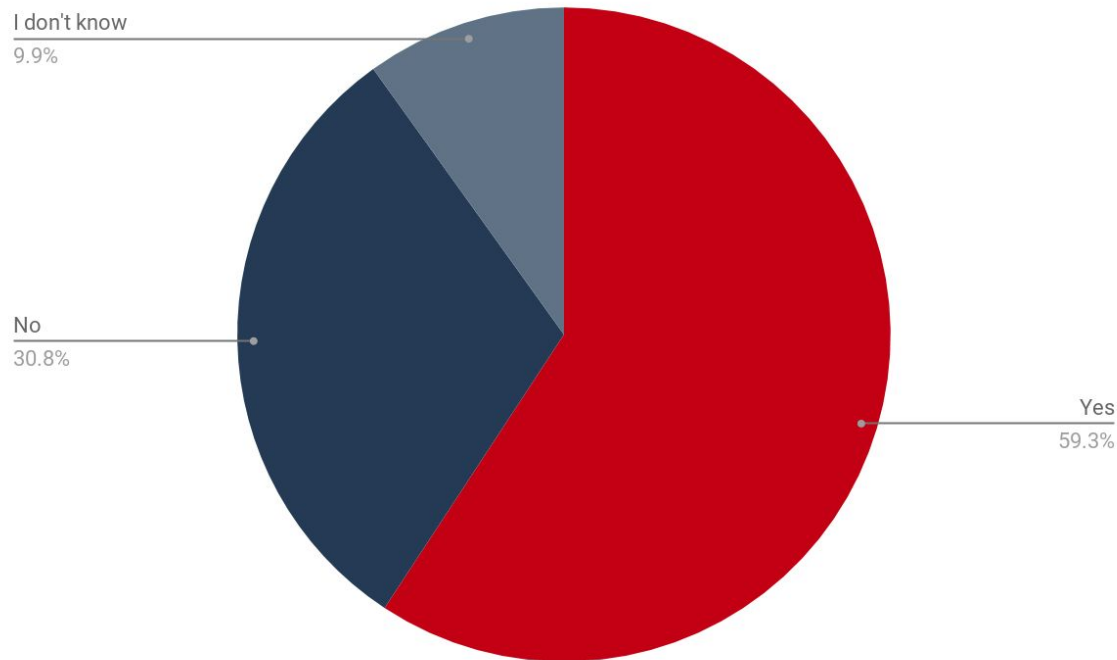
Baby Boomers are slightly less likely than Millennials to believe a gender pay gap exists at their company

- 48% of Millennials and 47% of Baby Boomers believe men are paid more than women at their company.

Question 12

Do you think employees at your company are fairly compensated regardless of their age or race?

Nearly one in three (31%) US workers do not believe employees at their company are fairly compensated regardless of their age or race.



Question 12 additional findings

Men are slightly more likely than women to believe that age or race don't factor into pay at their company

- 61% of men compared to 58% of women think employees at their company are fairly compensated regardless of age or race.
- The majority (60%) of Millennial and Baby Boomer men equally agree that age or race does not factor into employee pay.
- However, there are differences between Millennial and Baby Boomer women; fewer female Baby Boomers agree that employees are compensated fairly regardless of age or race (53% of Baby Boomer women agree compared to 62% of Millennial women).

Baby Boomers are less likely than Millennials to believe employees are compensated fairly regardless of age or race

- 56% of Baby Boomers believe that employees are compensated fairly based on age or race, compared to 61% of Millennials.

Question 13

If you had to choose from one of the options listed below, which of the following industries would you expect men to make more than women despite skill, performance and experience being equal?

The gender pay gap is perceived to be the widest in the technology industry (34%) followed by banking and finance (23%), healthcare and medical (13%), and education and higher education (5%).

Answer	Percent
Banking and finance	23.17%
Technology	33.50%
Healthcare and medical	12.67%
Education and higher education	5.08%
I don't know	25.58%

Question 13 additional findings

When compared to Gen Zs and Baby Boomers, Millennials are the most likely demographic to perceive a gender pay gap in the banking and finance industry specifically

- Millennial men (34%) and women (33%) and Baby Boomer men (33%) believe that men make more than women in technology jobs.
- However, Baby Boomer women believe men make more money than women in banking and finance jobs (29%).

While Millennials are certain they know what industry has the biggest gender pay disparity, Baby Boomers are unattached (and clueless?) to exploring the concept

- One in three (33%) Millennials believe the biggest gender pay gap occurs in the technology industry, compared to one in three (34%) Baby Boomers who simply admitted they don't know.

Question 14

If you had to choose from one of the options, which of the following workplace benefits would be most important to you?

Nearly two in five (38%) of US workers rank flexible hours or remote work options as the most important work benefits, followed closely by holiday or year-end bonuses.

Answer	Percent
More or unlimited vacation time	18.75%
Flexible hours or remote work options	37.83%
Reimbursement toward gym membership or fitness classes	2.08%
Snacks, free lunches, employer-sponsored happy hours	3.92%
Holiday or year-end bonuses	35.83%
I don't know	1.83%

Question 14 additional findings

Year-end bonuses are the most important workplace benefit to Millennial women

- Overall, 39% of women and 36% of men rank flexible work or remote work options as the most important workplace benefit.
- However, two in five (41%) Millennial women ranked holiday or year-end bonuses as the most important workplace benefit -- compared to Baby Boomer men (35%), Baby Boomer women (24%) and Millennial men (28%).

Millennials care more about holiday or year-end bonuses than Baby Boomers

- 37% of Millennials ranked holiday or year-end bonuses as the most important workplace benefit, compared to 34% of Baby Boomers.

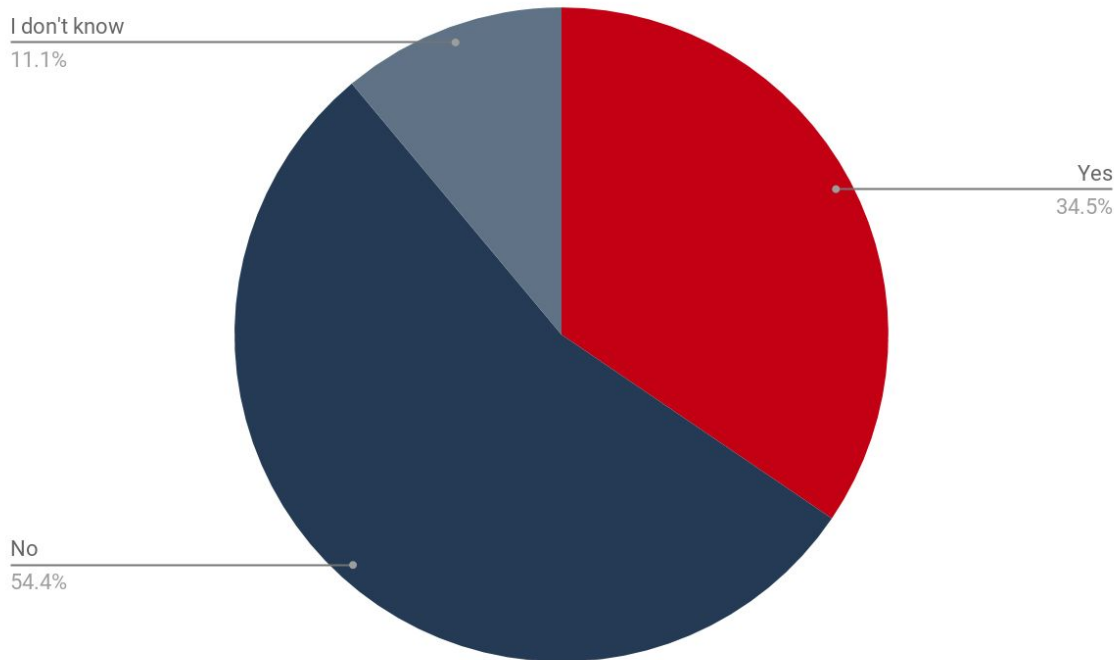
“Pay alone isn’t enough to make employees across all ages feel valued or incentivized to stay at your company. Benefits and workplace perks, such as flexible hours, remote work, year-end bonus structures and more, hold different values for today’s multi-generational workforce. A total compensation management strategy that incorporates an employee’s personal preferences with data-driven insights will create a happy and productive work culture.”

- Fabio Ronga, CEO at beqom

Question 15

Do you plan to ask your manager or supervisor for a raise or additional benefits before the end of the year?

Over one half (54%) don't plan to ask their manager or supervisor for a raise or additional benefits before the end of year.



Question 15 additional findings

Men are about 20% more likely than women to ask for a raise

- Before the end of the year, 38% of men compared to 32% of women plan to ask their manager/supervisor for a raise or more benefits before the end of the year.

Here's the generational gender breakdown of those who plan to ask for a raise before end of year:

- 45% of Millennial women will ask for a raise
- 40% of Millennial men will ask for a raise
- 30% of Baby Boomer men will ask for a raise
- 17% of Baby Boomer women will ask for a raise

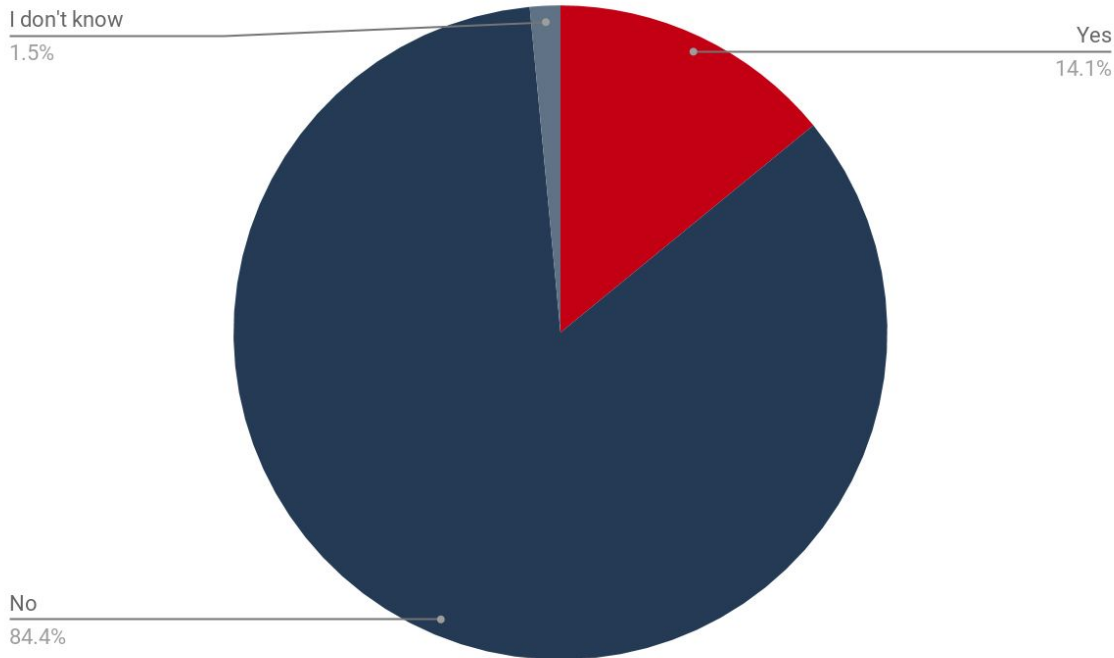
Millennials are more likely to ask for a raise than Baby Boomers

- 43% of Millennials plan to ask their manager/supervisor for a raise or more benefits before the end of the year, compared to 23% of Baby Boomers.

Question 16

Have you ever lied about your prior work experience during an interview or hiring process in order to receive a higher compensation offer?

The majority of Americans claim they're truthful during the interview and hiring process. Although almost one in five (14%) admit they've lied.



Question 16 additional findings

Men are twice as likely than women to lie about past work experience during an interview to make more money

- 20% of men compared to just 10% of women admitted they lied about prior work experience during an interview or hiring process in order to receive a higher compensation offer.

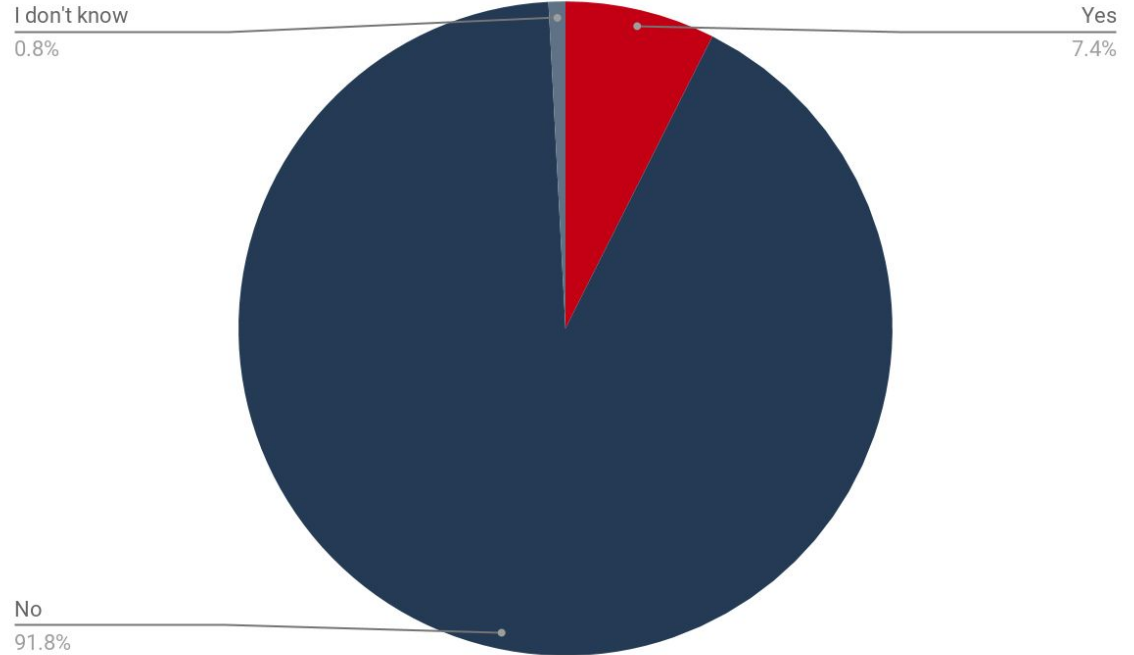
Compared to Baby Boomers, Millennials are more likely to lie during an interview to make more money

- 15% of Millennials -- compared to 10% of Baby Boomers -- admit they've lied about prior work experience during an interview or hiring process in order to receive a higher compensation offer.

Question 17

Have you ever lied to your manager about your performance at work in order to get a raise?

The majority of US workers say they've never lied to their manager about their work performance to get a raise.



Question 17 additional findings

Men are twice as likely than women to lie about their work performance to get a raise

- 11% of men admit they've lied about their work performance to get a raise, compared to 5% of women.
- Millennial men are the largest group to admit they've lied (15%), followed by Baby Boomer men (8%) and Millennial women (7%).
- Less than 1% of Baby Boomer women have ever lied about their work performance to get a raise.

Millennials are twice as likely than Baby Boomers to lie about their work performance to get a raise

- 10% of Millennials admit to lying to their manager about their work performance to get a raise, compared to 4% of Baby Boomers.

“We must do better to ensure that we’re creating and sustaining a vibrant, motivated and diverse workforce. At beqom, we believe in fair compensation for all employees, and use data-driven insights and artificial intelligence to take the guesswork and feelings out of employee pay.”

- Fabio Ronga, CEO at beqom

