



# REWARD MANAGEMENT

Focus on pay

# Appendices

The following tables provide more detail about the findings from the 2019 Reward Management Survey.

## APPENDIX 1: ORGANISATION OF BASE PAY

**Table 52: How do employers organise base pay? (by employee category, %)**

	Individual rates/spot salaries	Narrow-graded pay structures	Incremental salary progression	Job family	Broadbanded pay structures
2019*	49	38	37	42	28
2017*	41	34	30	35	25
2014*	50	32	31	29	26
2013*	49	37	32	30	29
2012*	47	29	29	25	27
<b>By sector*</b>					
Manufacturing and production	59	43	30	37	28
Private sector services, of which:	58	33	33	52	29
Retail, hospitality, catering, leisure and cleaning	63	40	38	68	28
Legal, financial, technology and other professional services	64	29	29	44	22
Other private sector	50	34	34	52	36
Public services	24	47	63	24	31
Voluntary, community, not-for-profit	35	37	32	32	24
<b>By size*</b>					
SME (<250)	53	32	29	40	24
Large (250–9,999)	46	46	45	43	33
Very large (10,000+)	31	31	77	46	46
<b>By employee category</b>					
Management/professional	44	26	28	34	24
Other employees	31	30	31	33	18

n=450 management, n=421 other grades. \*% of respondents selecting either or both employee categories. Question not asked in 2018.

## APPENDIX 2: PARTIES INVOLVED IN PROPOSING, ENDORSING AND APPROVING PAY RISES

**Table 53: Which parties are involved in proposing, endorsing and approving pay increases for employees? (by employee category, %)**

Management	Remuneration committee	HR/reward	Line managers	The board	Finance	Senior managers	Company secretary/lawyer	Trade union/works council
<b>Proposes</b>								
<b>By sector*</b>								
Manufacturing and production	3	47	51	19	6	43	1	0
Private sector services, of which:	6	33	54	22	8	44	1	2
Retail, hospitality, catering, leisure and cleaning	11	36	61	11	14	50	0	0
Legal, financial, technology and other professional services	3	26	49	28	7	36	0	0
Other private sector	6	37	57	20	7	48	2	5
Public services	7	33	36	12	14	24	2	26
Voluntary, community, not-for-profit	5	33	44	11	13	40	0	4
<b>By size</b>								
SME (<250)	2	31	49	22	8	43	0	2
Large (250–9,999)	10	43	51	13	11	37	2	9
Very large (10,000+)	0	25	75	0	25	25	0	25
<b>Endorses</b>								
<b>By sector*</b>								
Manufacturing and production	4	49	13	33	21	40	3	3
Private sector services, of which:	5	47	13	31	20	42	1	1
Retail, hospitality, catering, leisure and cleaning	7	67	7	15	26	59	0	0
Legal, financial, technology and other professional services	1	38	14	38	16	38	0	3
Other private sector	6	48	13	31	22	39	3	0
Public services	15	33	8	25	13	23	0	28
Voluntary, community, not-for-profit	22	44	4	24	22	39	0	4
<b>By size</b>								
SME (<250)	3	44	10	34	19	39	1	3
Large (250–9,999)	17	46	12	24	22	38	2	8
Very large (10,000+)	0	67	0	0	0	33	0	0

Management	Remuneration committee	HR/reward	Line managers	The board	Finance	Senior managers	Company secretary/lawyer	Trade union/works council
<b>Approves</b>								
<b>By sector*</b>								
Manufacturing and production	11	14	2	71	17	23	0	0
Private sector services, of which:	16	19	5	63	22	31	3	1
Retail, hospitality, catering, leisure and cleaning	11	39	7	61	36	46	7	0
Legal, financial, technology and other professional services	13	17	3	70	15	24	4	3
Other private sector	20	14	6	58	24	33	1	0
Public services	29	18	7	40	13	13	2	18
Voluntary, community, not-for-profit	25	11	2	71	9	18	4	7
<b>By size</b>								
SME (<250)	10	12	3	68	14	28	2	3
Large (250–9,999)	31	23	5	55	24	21	4	5
Very large (10,000+)	25	50	0	50	50	25	0	0

n=346

<b>Other staff</b>								
<b>Proposes</b>								
<b>By sector*</b>								
Manufacturing and production	3	46	60	15	11	38	3	15
Private sector services, of which:	6	34	63	13	7	37	0	4
Retail, hospitality, catering, leisure and cleaning	11	41	63	4	4	33	0	7
Legal, financial, technology and other professional services	6	35	55	22	8	35	0	0
Other private sector	4	30	70	10	8	41	0	6
Public services	5	37	39	10	12	17	0	24
Voluntary, community, not-for-profit	4	36	53	8	11	28	0	6
<b>By size*</b>								
SME (<250)	2	34	63	13	8	39	0	4
Large (250–9,999)	9	43	49	11	9	26	1	16
Very large (10,000+)	0	25	50	25	50	0	0	25

Other staff	Remuneration committee	HR/reward	Line managers	The board	Finance	Senior managers	Company secretary/lawyer	Trade union/works council
<b>Endorses</b>								
<b>By sector*</b>								
Manufacturing and production	1	42	19	21	19	42	3	7
Private sector services, of which:	2	39	15	24	16	39	1	2
Retail, hospitality, catering, leisure and cleaning	4	54	18	7	11	39	0	7
Legal, financial, technology and other professional services	0	31	17	29	14	40	1	1
Other private sector	4	41	13	27	21	38	1	0
Public services	7	24	5	17	15	32	0	27
Voluntary, community, not-for-profit	19	44	9	15	15	39	0	6
<b>By size</b>								
SME (<250)	4	45	15	36	20	47	1	4
Large (250–9,999)	17	49	15	27	26	40	2	12
Very large (10,000+)	0	67	67	0	0	33	0	33

n=346

<b>Approves</b>								
<b>By sector*</b>								
Manufacturing and production	8	16	3	65	13	29	0	2
Private sector services, of which:	13	18	8	54	20	34	2	2
Retail, hospitality, catering, leisure and cleaning	4	38	15	50	31	50	4	8
Legal, financial, technology and other professional services	12	15	3	57	12	25	2	3
Other private sector	17	13	10	52	23	36	3	0
Public services	14	21	5	33	14	12	2	19
Voluntary, community, not-for-profit	27	13	4	62	15	23	8	6
<b>By size</b>								
SME (<250)	10	14	6	59	13	31	3	4
Large (250–9,999)	22	23	7	48	23	24	3	7
Very large (10,000+)	33	33	0	33	67	33	0	0

n=330

### APPENDIX 3: VARIABLE PAY ELIGIBILITY

**Table 54: Which employee categories are eligible to receive variable pay?  
(by type of variable pay and employee group, %)**

<b>Management</b>					
	<b>None</b>	<b>A minority</b>	<b>About half</b>	<b>The majority</b>	<b>All</b>
Annual or other form of short-term bonus award for achieving and exceeding pre-specified targets	32	19	5	14	30
Long-term incentive linked to corporate performance	59	23	6	5	7
Overtime pay at rates above plain time rate	71	14	5	7	3
Additional payments for regularly working on a shift pattern	84	12	0	2	2
Supplementary pay for annualised hours working	95	3	1	1	0
Additional payments for unsocial hours working	73	17	2	4	5
<b>Other staff</b>					
Annual or other form of short-term bonus award for achieving and exceeding pre-specified targets	40	16	6	10	27
Long-term incentive linked to corporate performance	79	8	3	4	6
Overtime pay at rates above plain time rate	35	22	12	16	16
Additional payments for regularly working on a shift pattern	62	20	5	8	5
Supplementary pay for annualised hours working	86	8	3	2	2
Additional payments for unsocial hours working	43	27	7	10	12

n=350 management, n=335 other grades

**Table 55: Which employee categories are eligible to receive variable pay?  
(by type of variable pay and sector, %)**

	Management/ professional		Other employees	
	None or a minority	A majority or all	None or a minority	A majority or all
<b>Short-term bonus award for achieving/exceeding specified targets</b>				
Manufacturing and production	36	55	42	46
Private sector services, of which:	38	55	45	48
Retail, hospitality, catering, leisure and cleaning	52	41	50	36
Legal, financial, technology and other professional services	36	58	42	55
Other private sector	36	58	46	46
Public services	83	15	87	11
Voluntary, community, not-for-profit	82	18	80	18
<b>Long-term incentive linked to corporate performance</b>				
Manufacturing and production	80	12	87	11
Private sector services, of which:	74	19	80	16
Retail, hospitality, catering, leisure and cleaning	86	4	85	15
Legal, financial, technology and other professional services	72	25	74	18
Other private sector	72	20	84	13
Public services	96	0	96	2
Voluntary, community, not-for-profit	100	0	100	0
<b>Overtime pay at rates above plain time rate</b>				
Manufacturing and production	80	9	19	63
Private sector services, of which:	87	8	66	24
Retail, hospitality, catering, leisure and cleaning	93	0	39	32
Legal, financial, technology and other professional services	85	13	74	18
Other private sector	87	7	68	26
Public services	75	22	47	41
Voluntary, community, not-for-profit	94	6	81	11
<b>Additional payments for regularly working shift pattern</b>				
Manufacturing and production	91	9	55	34
Private sector services, of which:	99	1	87	8
Retail, hospitality, catering, leisure and cleaning	100	0	81	15
Legal, financial, technology and other professional services	100	0	94	2
Other private sector	97	1	84	10
Public services	88	12	80	16
Voluntary, community, not-for-profit	100	0	100	0

	Management/ professional		Other employees	
	None or a minority	A majority or all	None or a minority	A majority or all
<b>Supplementary pay for annualised hours working</b>				
Manufacturing and production	96	2	85	13
Private sector services, of which:	98	1	95	1
Retail, hospitality, catering, leisure and cleaning	100	0	88	4
Legal, financial, technology and other professional services	97	2	97	0
Other private sector	99	1	97	0
Public services	96	2	93	5
Voluntary, community, not-for-profit	100	0	98	0
<b>Additional payments for unsocial hours working</b>				
Manufacturing and production	89	5	48	37
Private sector services, of which:	93	7	77	19
Retail, hospitality, catering, leisure and cleaning	100	0	75	21
Legal, financial, technology and other professional services	97	3	86	8
Other private sector	86	13	70	28
Public services	75	22	61	29
Voluntary, community, not-for-profit	94	6	84	13



**Table 56: Which employee categories are eligible to receive variable pay?  
(by employer size, %)**

	Management/ professional		Other employees	
	None or a minority	A majority or all	None or a minority	A majority or all
<b>Short-term bonus award for achieving/exceeding specified targets</b>				
SME (<250)	51	45	54	41
Large (250–9,999)	50	43	59	33
Very large (10,000+)	80	20	100	0
<b>Long-term incentive linked to corporate performance</b>				
SME (<250)	81	15	85	12
Large (250–9,999)	85	8	90	7
Very large (10,000+)	80	0	67	0
<b>Overtime pay at rates above plain time rate</b>				
SME (<250)	88	8	66	25
Large (250–9,999)	81	12	44	41
Very large (10,000+)	80	20	0	60
<b>Additional payments for regularly working shift pattern</b>				
SME (<250)	97	3	88	8
Large (250–9,999)	95	5	76	18
Very large (10,000+)	80	20	0	50
<b>Supplementary pay for annualised hours working</b>				
SME (<250)	97	2	94	3
Large (250–9,999)	99	1	95	2
Very large (10,000+)	75	0	0	33
<b>Additional payments for unsocial hours working</b>				
SME (<250)	90	8	73	20
Large (250–9,999)	89	10	69	26
Very large (10,000+)	80	0	0	25

n=350 management, n=335 other grades

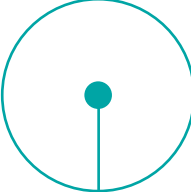
## APPENDIX 4: THE EXTERNAL AND INTERNAL FACTORS THAT IMPACT BUSINESS STRATEGY

Table 57: What are organisations' main current 'business' or strategic focuses? (%)

	Growing revenue	Improving service/product quality	Growing market share in the UK	Innovating to increase overall productivity levels	Cutting costs	Improving value for money from the resource spend
All	58	39	38	38	29	28
<b>By sector</b>						
Manufacturing and production	59	37	51	39	27	14
Private sector services, of which:	71	34	44	37	30	25
Retail, hospitality, catering, leisure and cleaning	76	43	57	43	19	33
Legal, financial, technology and other professional services	70	32	36	36	26	23
Other private sector	70	32	44	37	37	24
Public services	39	47	14	50	42	39
Voluntary, community, not-for-profit	33	53	23	26	16	47
<b>By size</b>						
SME (<250)	65	35	40	35	27	25
Large and very large (>=250)	47	47	34	42	32	33
	Innovating in new products/services to expand/diversify market range	Innovating in current products/services to expand/diversify market range	Growing market share overseas	Defending market share in the UK	Increasing fundraising (not-for-profit)	Defending market share overseas
All	28	26	16	14	13	2
<b>By sector</b>						
Manufacturing and production	43	33	31	16	0	6
Private sector services, of which:	27	23	17	16	2	2
Retail, hospitality, catering, leisure and cleaning	19	10	19	19	0	0
Legal, financial, technology and other professional services	19	23	9	17	4	2
Other private sector	37	27	22	14	2	2
Public services	14	14	3	6	11	0
Voluntary, community, not-for-profit	26	35	5	12	60	0
<b>By size</b>						
SME (<250)	30	28	18	11	15	2
Large and very large (>=250)	26	22	13	17	10	2

n=261





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