tdentcom Neasuring ottitudes towards salary transparency

- An English workforce case study



### Taking the temperature of attitudes on salary

The working talent of England have spoken and salary transparency is the hot button topic. In partnership with survey institute Leger Marketing, Talent.com surveyed job seekers across England to determine how hot or cold job seekers' opinions measure on the salary disclosure and transparency thermometer.

### What's most important to job seekers?

- 78% place salary as a top factor of consideration during the job search
- 98% want to know salary before applying, and
- 61% say salary discussions at the job interview are... easy?

### Mind the gap

Pay discrimination reportedly experienced by almost 3 in 10 respondents—more than a third of them from the youngest generation.



### The generational divide?

Millennials seem to have the most faith in salary transparency and its positive impacts on professional life while the youngest and oldest generations feel a little more conflicted.

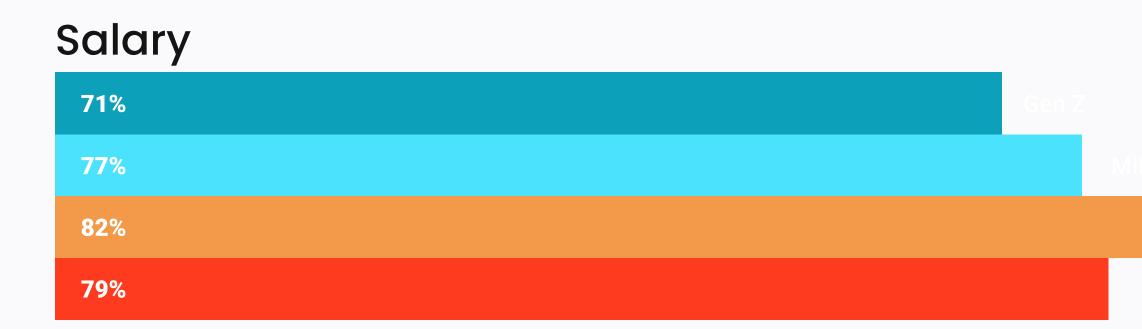
# When looking for a job, what's most important?

Salary	78%
Flexible working conditions	55%
<b>Geographic location</b>	43%
Inspiring work environment	28%
Benefits / Insurance	25%
Company culture	24%
Training and development	20%
Number of days off	18%

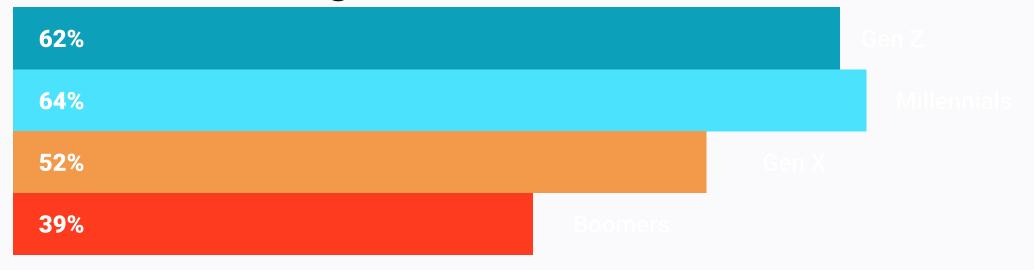
According to 2,000 respondents across England

## Generational

### When looking for a job, which factors are MOST important to you?

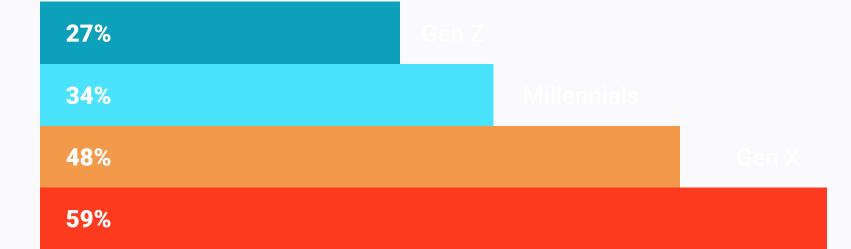


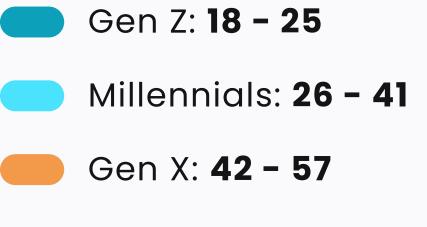
### Flexible working conditions



### divide





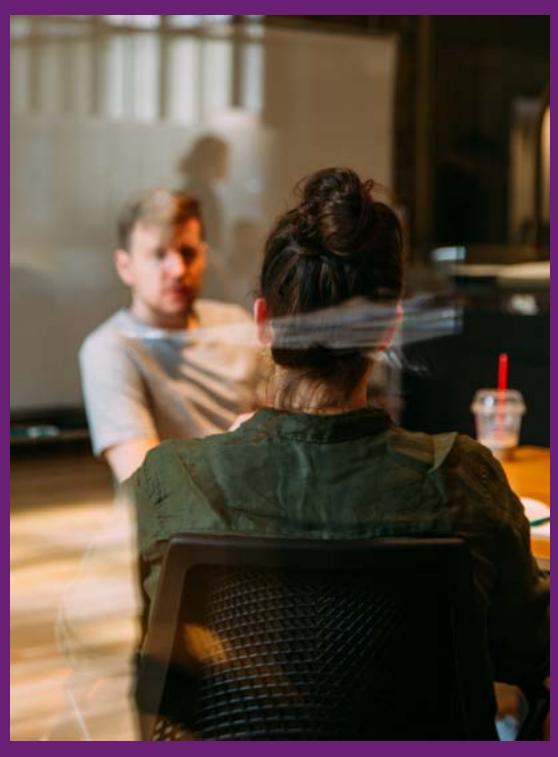




A whopping 98% of respondents (and 100% of respondents in the Sales occupation category!) want salary information before applying. With such warmth toward salary disclosure, why do only 20% of job offers in the UK on Talent.com include salary information?



### Salary at the job search level is hot!



# Salary negotiations are easy for 6 in 10?

### "For me, discussing salary during a job interview is..."

Easy: 61%



Very easy 24% + somewhat easy 38%

Interesting note: Students (47%) and Office workers (53%) were the least likely to find salary discussions easy.



Difficult: 39%

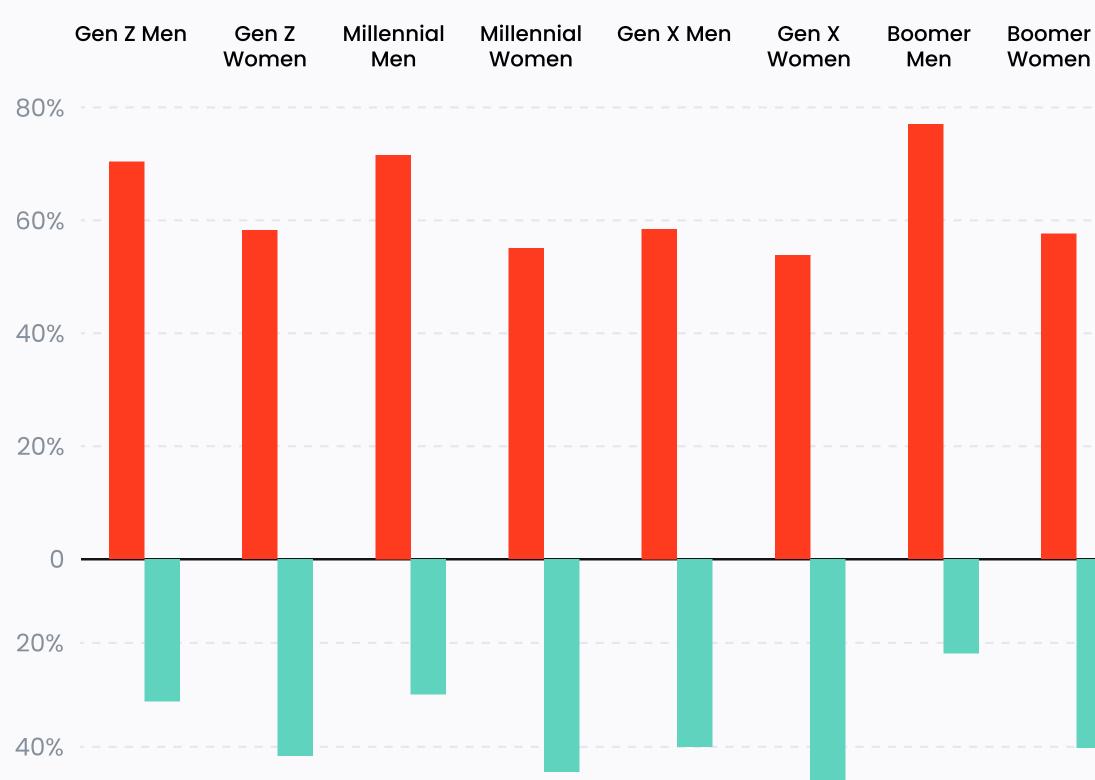


Somewhat difficult 31% + very difficult 7%

2022

### "For me, discussing salary during a job interview is..."







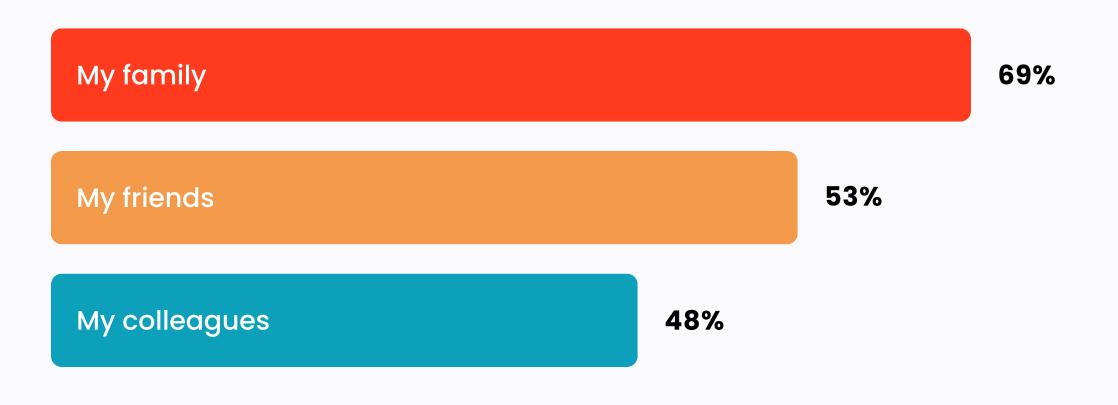
#### Gen X struggles most with salary discussions

Interestingly Gen X women and men are almost equal to each other in finding job interview salary discussions difficult.

# Discussing salary with colleagues gives Gen Z the chills

"To what extent do you agree with the following statements about discussing salary?"

I feel comfortable discussing salary with...



Who strongly and somewhat agrees on feeling comfortable discussing salary with colleagues most?

- 52% of Millennials (26-41)
- 50% of Boomers 58+
- 47% of Gen X (42-57)
- 39% of Gen Z (18-25)

### Attitudes on levels of employer transparency a little cool Actual

Survey Question: In your opinion, how transparent would you say most employers are about their salary ranges?

#### 52% (very transparent + somewhat transparent)

- 68% Gen Z
- 63% Millennials
- 43% Gen X
- 37% Boomers





\* The percentage of job postings on the Talent.com platform in the UK that currently disclose salary information

5



# How do you define salary transparency?

31%

"Make salary ranges of the company you work for available internally"



"Make detailed salary ranges of positions in the company you work for available internally"

23%

"Make salary ranges of positions in the company you work for public"

The most common understanding of salary transparency is that salary ranges of the positions within the company you work for will be available internally.

For the purpose of the survey, salary transparency was defined as how visible a company's compensation is to the public and those who work there.

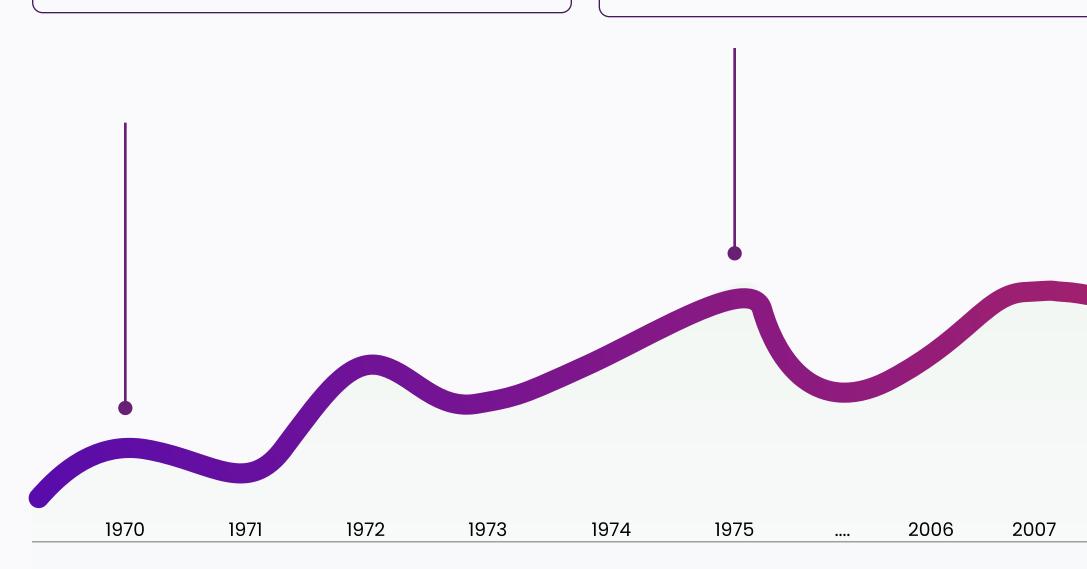
# **Snapshot of UK pay equity law** history

#### $(EQUAL PAY ACT 1970 \rightarrow)$

"Gives an individual a right to the same contractual pay and benefits as a person of the opposite sex in the same employment" and also includes an "equality clause" in work contracts.

#### (SEX DISCRIMINATION ACT 1975 $\rightarrow$ )

"Unlawful for an individual to be discriminated in the workplace in relation to selection for a job, training, promotion, work practices, dismissal or any other disadvantage such as sexual harassment because of their sex or marital status."



#### (EQUALITY ACT 2010 →)

Equality Act incorporates the principle of 'equal pay for equal work.'

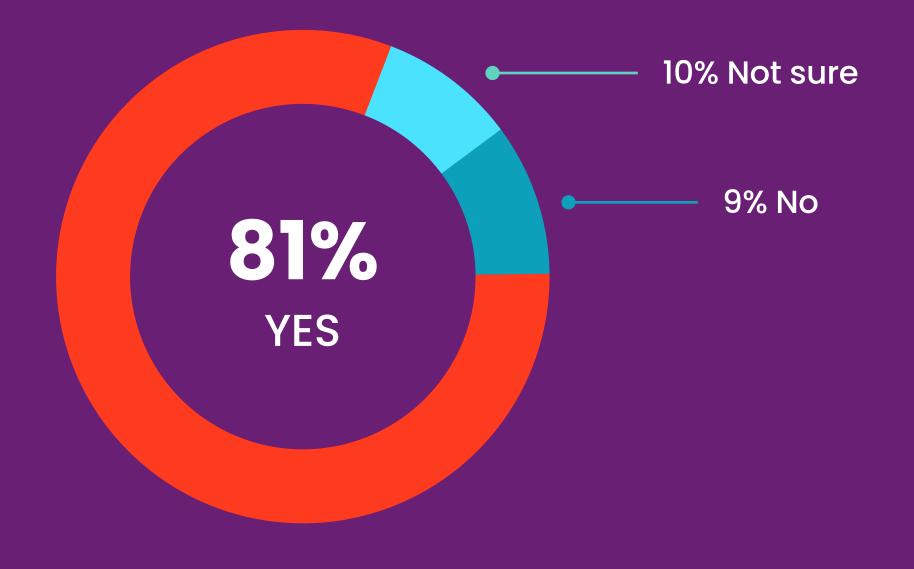
#### (THE EQUALITY ACT 2017 $\rightarrow$ )

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require all private and voluntary sector employers with 250 or more employees in the UK to report their gender pay gap, based on pay data captured on 5 April each year.



# Support for salary transparency runs hot.

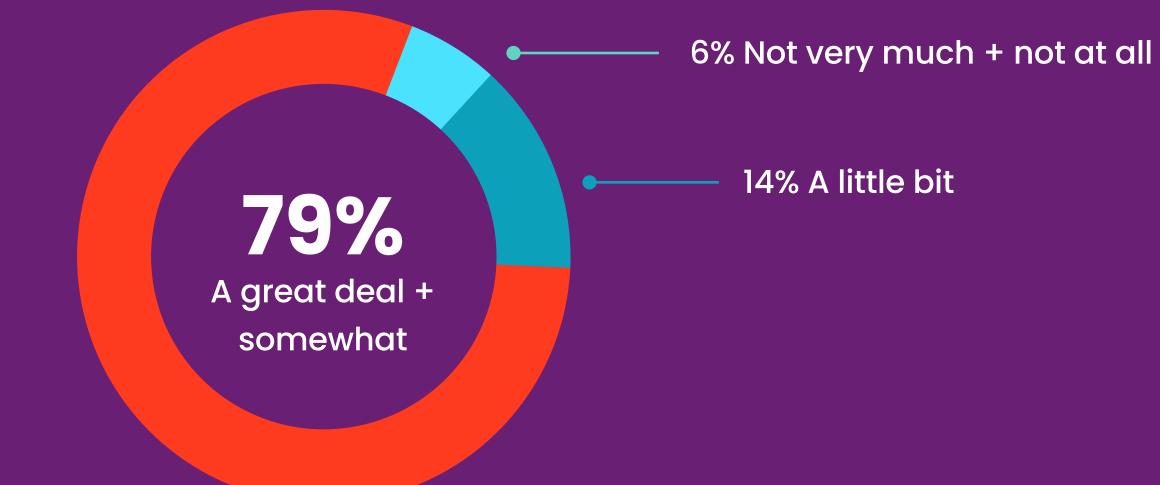
"Do you think employers should be required to disclose salary ranges in job descriptions?"





• An English workforce case study

"If the government were to pass a law requiring employers to disclose salary ranges in job postings, to what extent would you support this law?"



# Survey responses from job seekers

Question: "You said that employers SHOULD be Can you tell us why you feel this way?"

"Ensures equality within organisation, ensures
"Because I am looking for work and feel it is only
that they cannot hide behind people not knowing
what others in similar situations earn."
"Because I am looking for work and feel it is only
fair to state the salary, so I am not wasting my
and company's time by applying for a role that
does not match my salary expectations."

"I think it is fair for all so people don't end up underpaid."

"It removes any ambiguity."

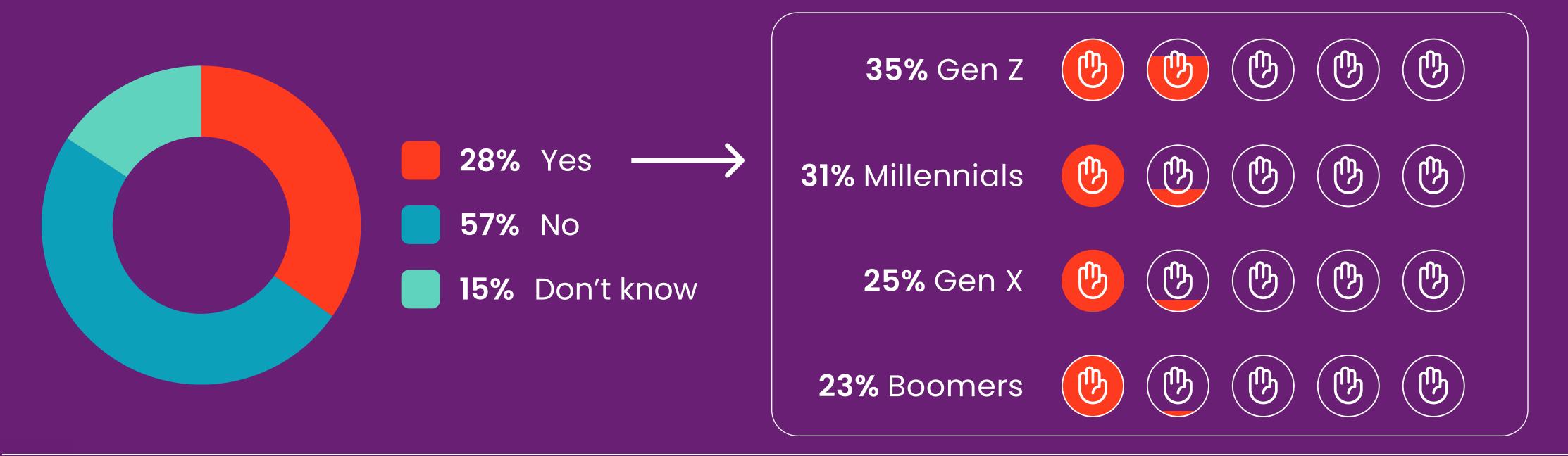


### Question: "You said that employers SHOULD be required to disclose salary ranges in job descriptions.

"Because your salary would have a direct influence on the desirability, workability of accepting the post."

### Mind the —— gap One-third of respondents report having experienced pay discrimination

"Do you believe that you personally have experienced any form of pay discrimination?"





### Please describe the time when you experienced pay discrimination.

"After I left my previous employer I found out that I was earning 30 percent less than my coworkers for doing the same job".

"Getting paid half as much for doing the same job just because of my age."

"When my boss made his 18 year daughter my boss."

"I'm very experienced in my job, and yet there are others who I've known to get more money, with less experience."

When I worked for an American company where they automatically set professional position grades from the UK site always being two grades lower than the same role in the American office."



Less pay / benefits than colleagues (e.g. for

same work, for more work)





As a woman / Being a woman with the same

credentials

5% of responses explicitly mentioned age as a factor (with Gen Z being the majority of those who cited this reason).

# Salary transparency helps close the wage gap

### To what extent do you agree with the following statements about salary transparency?

Salary transparency will help close the gender pay gap

71% agree

Salary transparency will increase pay equity for racial minorities

66% agree

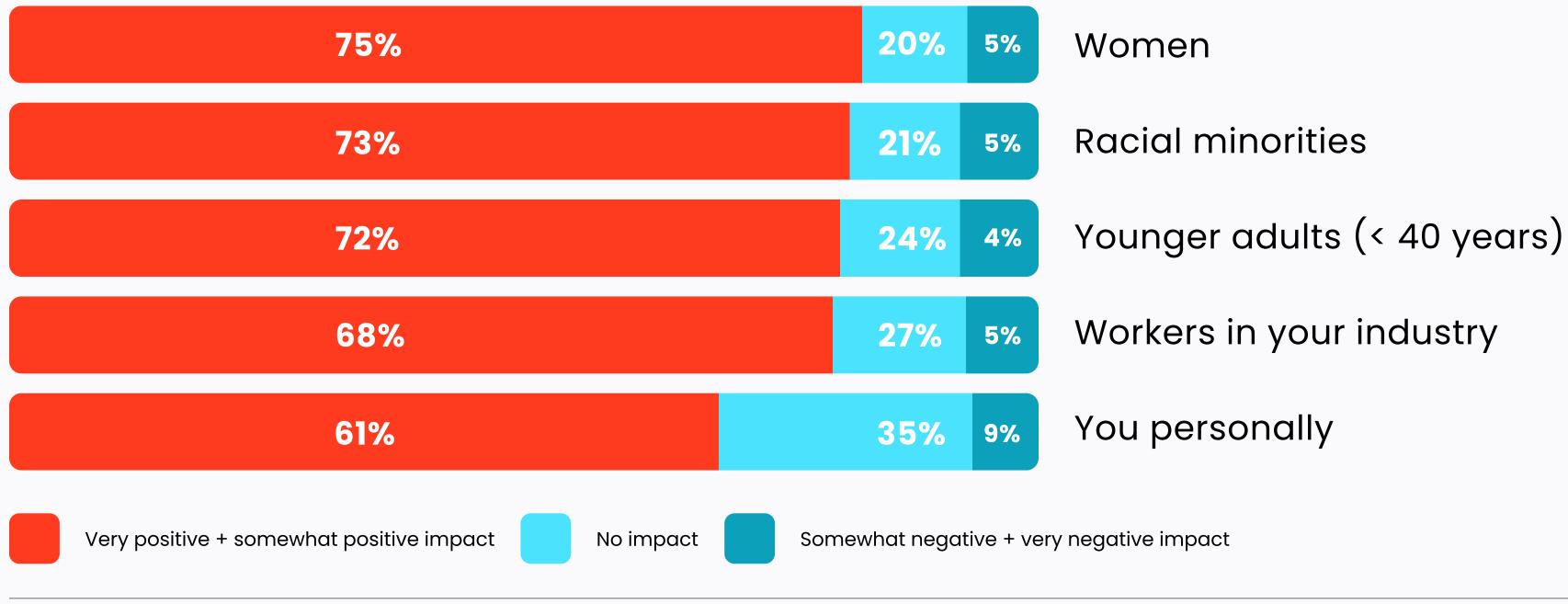




Only 59% of Gen Z agree with salary transparency helping close the gender pay gap.

# How much impact does transparency have? On who?

If the government were to pass a law requiring employers to disclose salary ranges in job postings, what kind of impact do you think it would have on...



# Impacts on society and professional life

### To what extent do you agree with the following statements about salary transparency?

Salary transparency is important

Transparency creates a fairer environment for me and my colleagues

I would feel comfortable knowing my position's salary information can be obtained or made available to others in my organization

67%







# Transparency, good for HR professionals too

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Increases transparency / Right to know

Sets کے

Screens out unsuitable candidates

Of the 5% of respondents who answered that they work as HR professionals, a majority (58%) believe salary transparency would have a positive impact on their work, and 27% believe there would be no impact. So few felt opposed that further study of a larger sample would be required to fully report on their views.



Sets expectations in advance

#### Makes things easier



"It would show equality and transparency and so it would help employ and recruit people for the job."

"People are more inclined to talk to you in general if you are more transparent with them."

"Won't be wasting time assessing and interviewing people for jobs if they aren't first happy with the pay."

"Applicants know what they are applying for, so expectations are set right from the start."

## Last readings

**98%** say it's important to know the salary before applying

**78%** select salary as one of the top considerations in the job hunt

64% of Millennials highlight flexibility as an important job factor.

**61%** say salary discussions at the job interview are easy

**56%** of Gen X say salary discussions at the job interview are easy

**39%** of Gen Z is comfortable discussing salary with colleagues

20% of UK jobs on Talent.com disclose salary info



84% of Boomers say employers should disclose salary information.

71% of Millennials feel comfortable knowing their position's salary info is available.

**54%** Of Gen Z feel comfortable knowing their position's salary info is available.

**59%** of Boomers highlight location as an important job factor.

**52%** say employers are transparent

**27%** of Gen Z highlight location as an important job factor.



# Survey methodology

An 8-minute online survey was conducted by Talent.com in collaboration with Leger Marketing. It was sent out in English, throughout England over a few weeks in May and June 2022.

The survey sample included 2,000 respondents and responses were weighted by age and gender to ensure they were representative of the population of the country.

To be eligible for this case study surrounding salary	York
transparency, all respondents had to be:	Eas

- Residents of England
- Currently employed or looking for employment
- 18+ years old



### Region

16%

14%

12%

12%

10%

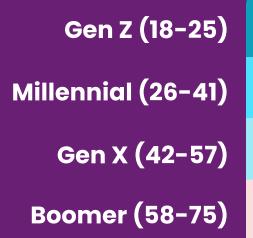
9%

10%

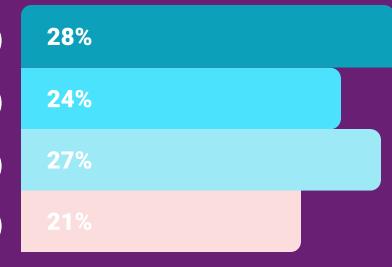
5%

### South east London North West **East of England** West Midlands **South West** shire and... t Midlands

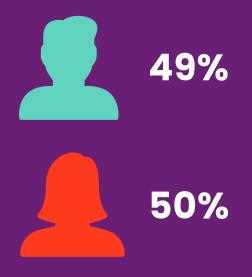
North East



### **Generational breakdown**



#### Gender



Non-binary 1%