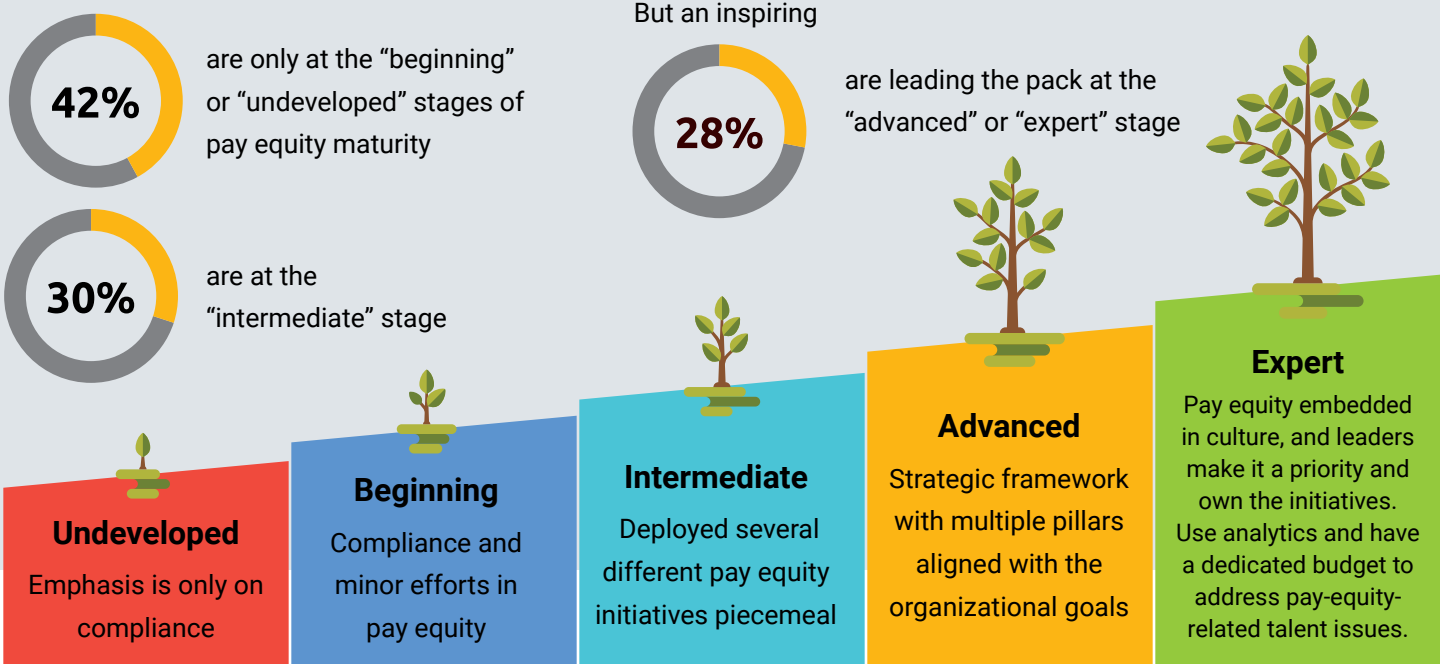


HR.com's Future of Pay Equity and Transparency 2025

Future-proof your pay equity framework by adopting a strong strategy



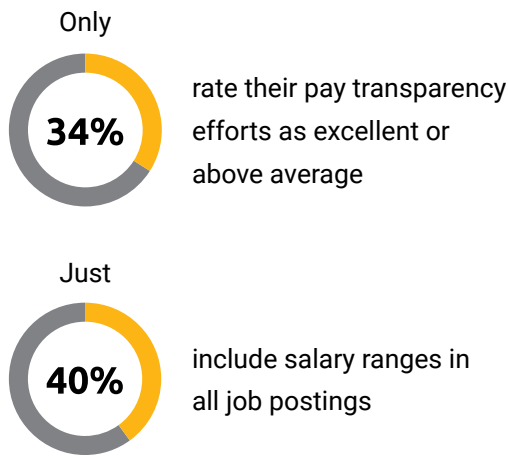
Many organizations are in the beginning stages of pay equity



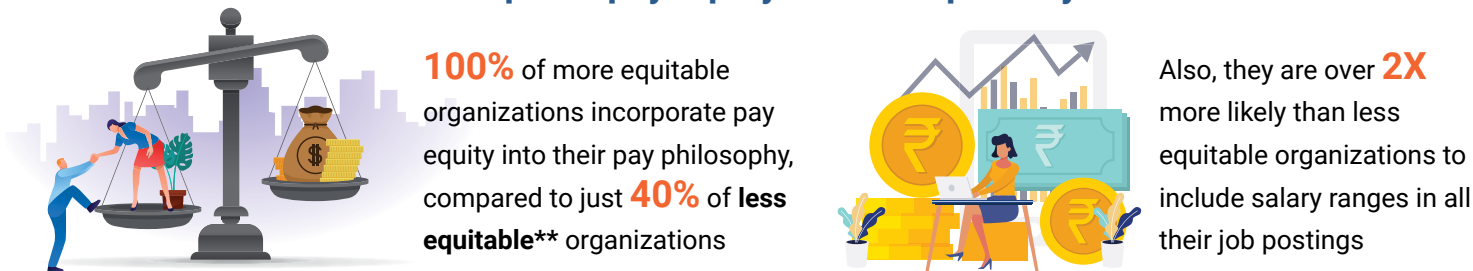
Over half of organizations say pay equity is the top or among the top 5 HR priorities, though that leaves many organizations floundering



Few organizations excel at sharing salary ranges and explaining pay structures



Organizations should follow the lead of more equitable* organizations to improve pay equity and transparency



Consider various ways to measure and analyze pay equity

The two most common methods of measuring and determining pay equity are:

72% comparisons of pay among comparable jobs

60% comparisons within pay bands



Organizations most often examine the following as part of their pay equity analysis:

Demographic factors

52% gender and/or gender identity

51% race/ethnicity

39% age



Compared to less equitable organizations, more equitable organizations are:

nearly 4X more likely to define clear and accurate performance metrics to ensure higher pay is given to better performers

3X more likely to conduct regular compensation audits to spot biases or inconsistencies

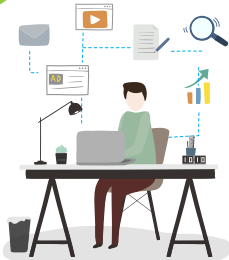
almost 2X more likely to use salary surveys/data from trade organizations or associations

Job factors

84% years of experience

72% performance

69% role



Define and implement a strategy to close pay gaps

When asked about specific pay equity-related practices:



78% believe their organization acts to close pay gaps if inequities are found



but just 56% have strategies in place to detect equity gaps

Compared to less equitable organizations, more equitable organizations are:

over 4.5X more likely to have a formal budget to close pay gaps

4X more likely to set goals to actively investigate and solve inequalities within the workplace

over 2X more likely to increase salary for underpaid employees to achieve pay equity

HR professionals believe the following factors will influence pay equity in the near future:

60% Changing workforce expectations

58% Legislation and regulations

32% The need to recruit diverse talent



And what about AI?

36% believe it will enhance pay audits and analytics

35% believe it will also bring legal risks such as AI bias



About the Survey: HR.com's "Future of Pay Equity and Transparency 2025" survey ran from October to December 2024. We gathered responses from 189 HR professionals in virtually every industry vertical. Respondents are located all over the world, but most of them reside in North America, especially the United States.

*More equitable organizations: Those answering the question, "What best describes the stage of development of pay equity in your organization?" with "advanced" or "expert."

** Less equitable organizations: Those answering with "undeveloped" or "beginning" to the same question.



Future of Pay Equity and Transparency 2025

Read Full Report

Thanks to our great sponsor:

