

# Global Rewards Pulse Survey

Compensation Practices and  
Salary Increase Projections  
for 2022

Survey fielded between  
December 2021 and January 2022





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01

# Introduction and perspective



We continue to stand at a crossroads in the world of work. As a result of the last two years of adapting and evolving, organizations globally have charted new business and talent strategies, and this has had a significant impact on the direction of reward programs.

## Introduction

This is the sixth in a series of global pulse surveys from Korn Ferry designed to gather insights into how organizations are adapting their reward programs in response to a rapidly changing world, and to assess how their plans for future rewards programs are evolving. For this survey, there is a particular focus on salary increase projections for 2022.

We were prompted to initiate this survey when it became increasingly clear from our clients toward the latter part of 2021 that early compensation increase projections for 2022 may no longer be relevant. Given the continued impact of the pandemic on business conditions, accelerating inflation, and labor supply and demand imbalances, organizations felt compelled to adjust their compensation increase budgets in the latter part of 2021 and early 2022.

This survey ran from December 2021 to January 2022 and it reflects responses from 5,042 participants in 116 countries. Survey respondents are typically HR professionals, and their organizations cover a broad range of size, geography, and ownership structure.

Market practices will continue to evolve and Korn Ferry will continue to monitor and report on future trends. If you have additional questions on this information, please contact us here: [KornFerryPayServices@kornferry.com](mailto:KornFerryPayServices@kornferry.com)





# Korn Ferry perspective on global results

The survey findings indicate that organizations globally are in the process of making, or are considering, significant changes in their salary increase budgets for 2022. There are several findings that are worth noting from our survey of global practices.

- 1 Most organizations globally are reporting an uptick in their median total salary increase budgets for 2022 vs what they had planned in 2021.
  - > For example, the US median increases have risen from 3.0% (mid 2021) to 3.5% (as of now).
  - > The UK has gone from 2.5% to 3.0% (from earlier in 2021), Australia from 2.4% to 3.0%, Brazil from 6.1% to 7.4%, Turkey from 18% to 30%, Ukraine from 6.5% to 10.3%, and Russia from 5% to 7.5%.
- 2 Organizations should take care in interpreting this forecast data as there is a significant variance in company practices regarding the types of pay increases that are included in these projections.
  - > Organizations are generally split between those who include vs. exclude promotions, internal equity adjustments, market adjustments, key contributor increases and other off-cycle increases in these projections.
  - > As a result, forecasted increases are likely understated to actual total increase practices by as much as 25-33% of the overall budget.
  - > Organizations should use this and other salary increase projection information directionally and engage leaders in a discussion focused on internal needs and objectives vs. over-indexing on external market data.
- 3 A majority of organizations are granting a significant percentage of their employees a salary increase this year (i.e., at least 90% of employees will receive an increase).
  - > This high rate of employees receiving increases results in the typical organization not being able to significantly differentiate increases between competent and outstanding performers. The typical practice is a 1.5X difference in increase percentages between these performers (e.g. an outstanding performer receives a 4.5% increase vs. a competent performer receiving 3.0%).

# Korn Ferry perspective on global results (continued)

**4** While a majority of organizations are reporting little change in their base salary administration processes vs. pre-pandemic, there is a higher percentage of organizations utilizing:

- > More centralized review, calibration, and control processes of base salary increases.
- > Greater differentiation in increases between outstanding and competent performers.

**5** Increased use of select cash compensation programs in the new “war for talent”. These include:

- > Sign-on bonuses.
- > Retention bonuses.
- > Special incentive/ bonus programs.
- > The use of sustainability, ESG and DEI metrics in incentive plans.

**6** Increased utilization of select non-financial reward programs. The most increased focus is in the following areas:

- > Connecting the work the organization does to its mission, vision, and values.
- > Clarifying and communicating employee growth and career development opportunities.
- > Engaging with employees in organization change priorities.
- > Building manager and leader effectiveness to build connections and inclusivity within their teams.



# Market Highlights

## 2022 forecasted median salary increases across various employee categories

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Australia	3.0	3.0	3.0	3.0
Brazil	7.2	7.2	7.7	7.4
Canada	3.0	3.0	3.0	3.0
China	5.7	6.0	6.0	6.0
France	2.5	2.5	2.5	2.5
Germany	3.0	3.0	3.0	3.0
Italy	2.6	2.9	2.9	2.5
Japan	2.1	2.1	2.1	2.1
Netherlands	3.0	3.0	3.0	3.0
Russian Federation	7.5	7.5	7.5	7.8
Saudi Arabia	5.0	4.6	4.2	4.2
Spain	2.5	2.5	2.5	2.5
United Arab Emirates	4.0	4.0	4.0	4.0
United Kingdom	3.0	3.0	3.0	3.0
United States of America	3.5	3.5	3.5	3.5



02

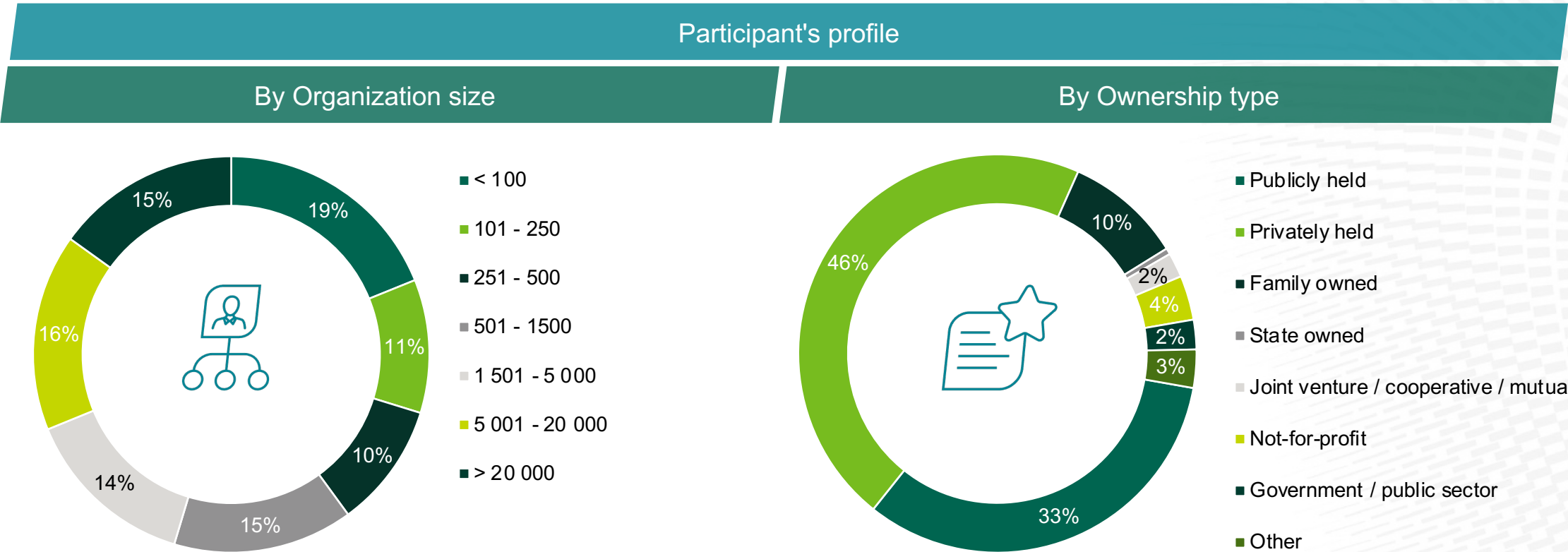
## Participant overview





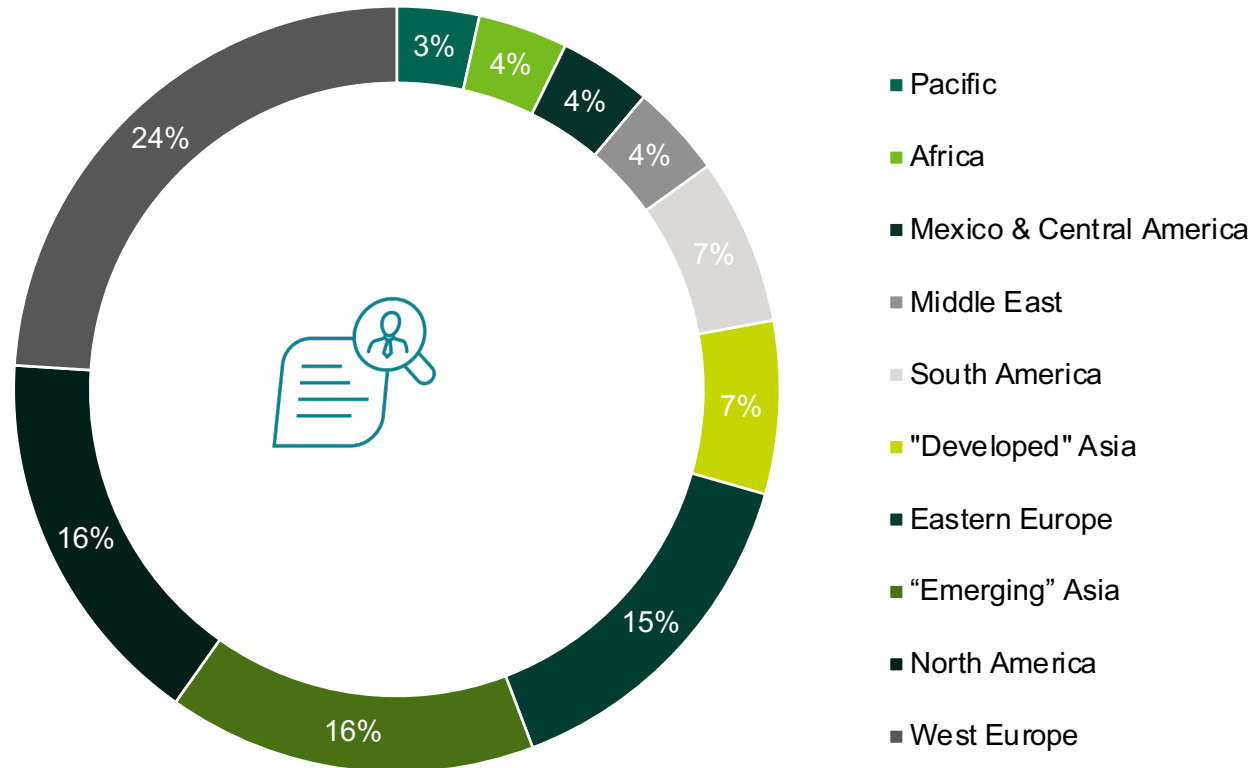
# Participant overview

Respondents are typically from the Compensation and Benefits function (manager level and above), HR Business partner, CHRO & Finance areas. A wide range of organization size and ownership is represented.

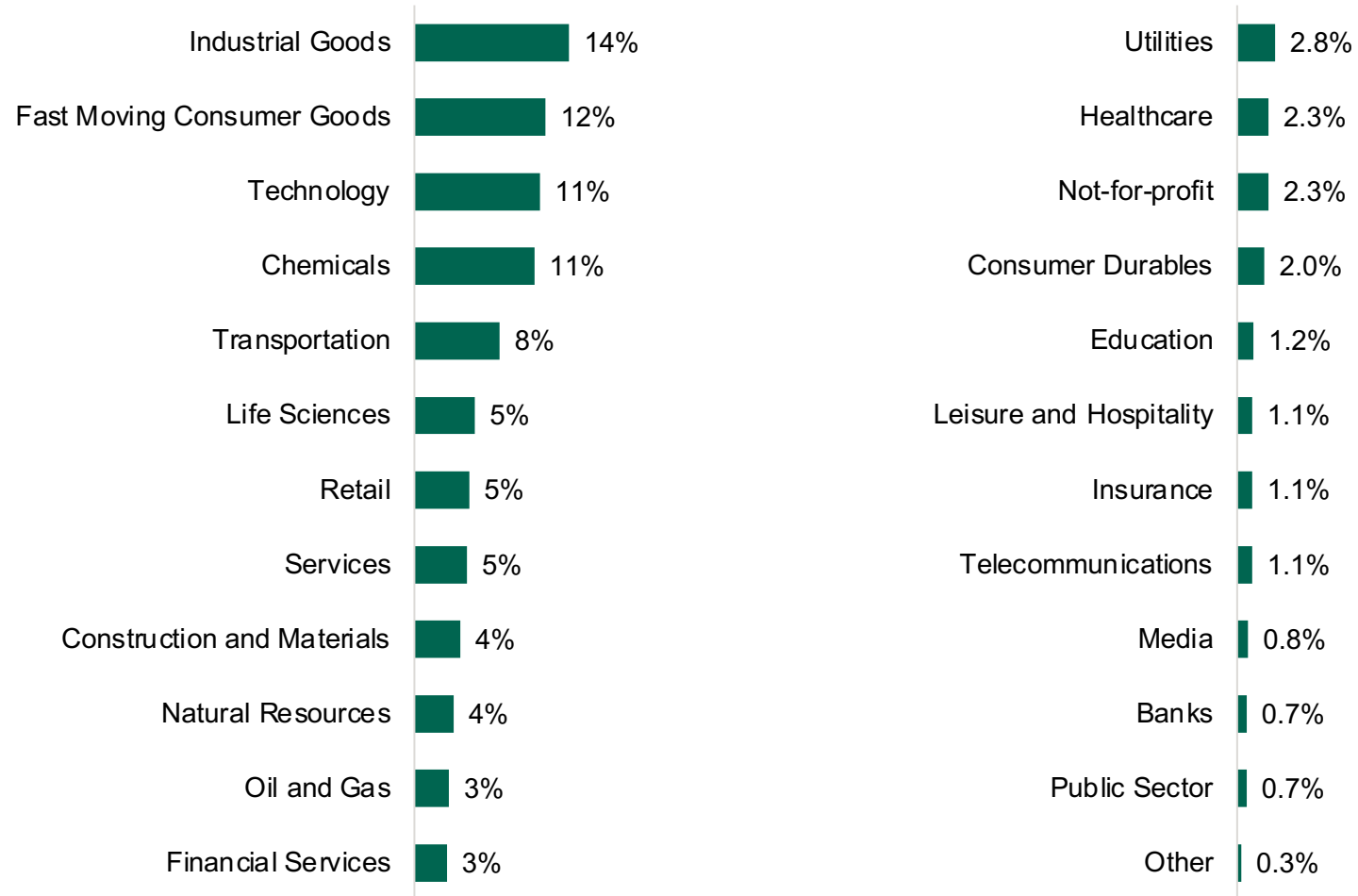


# Participants overview by Regions

5,042 unique responses for 116 countries



# Participants overview by Industries





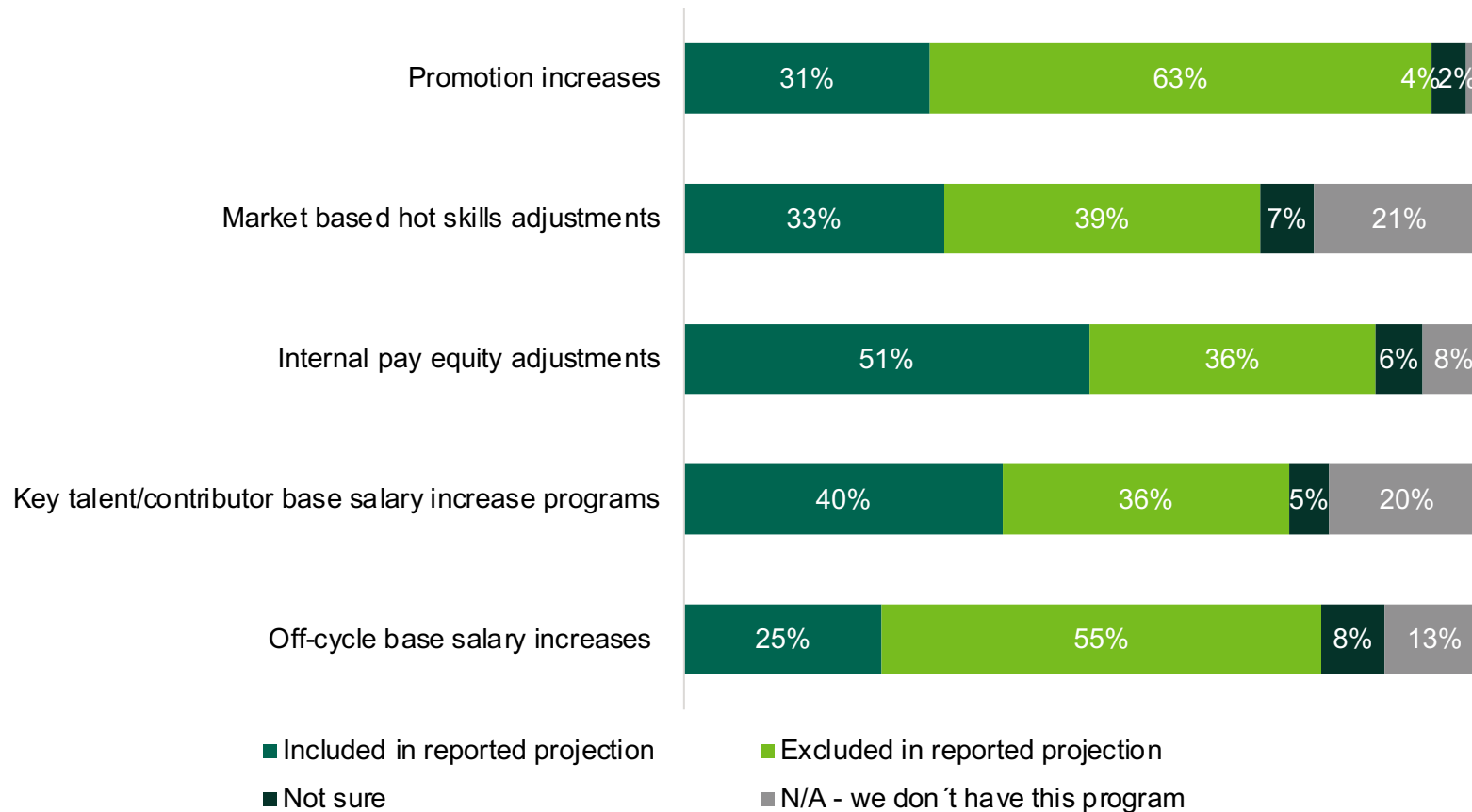
03

# Compensation practice trends



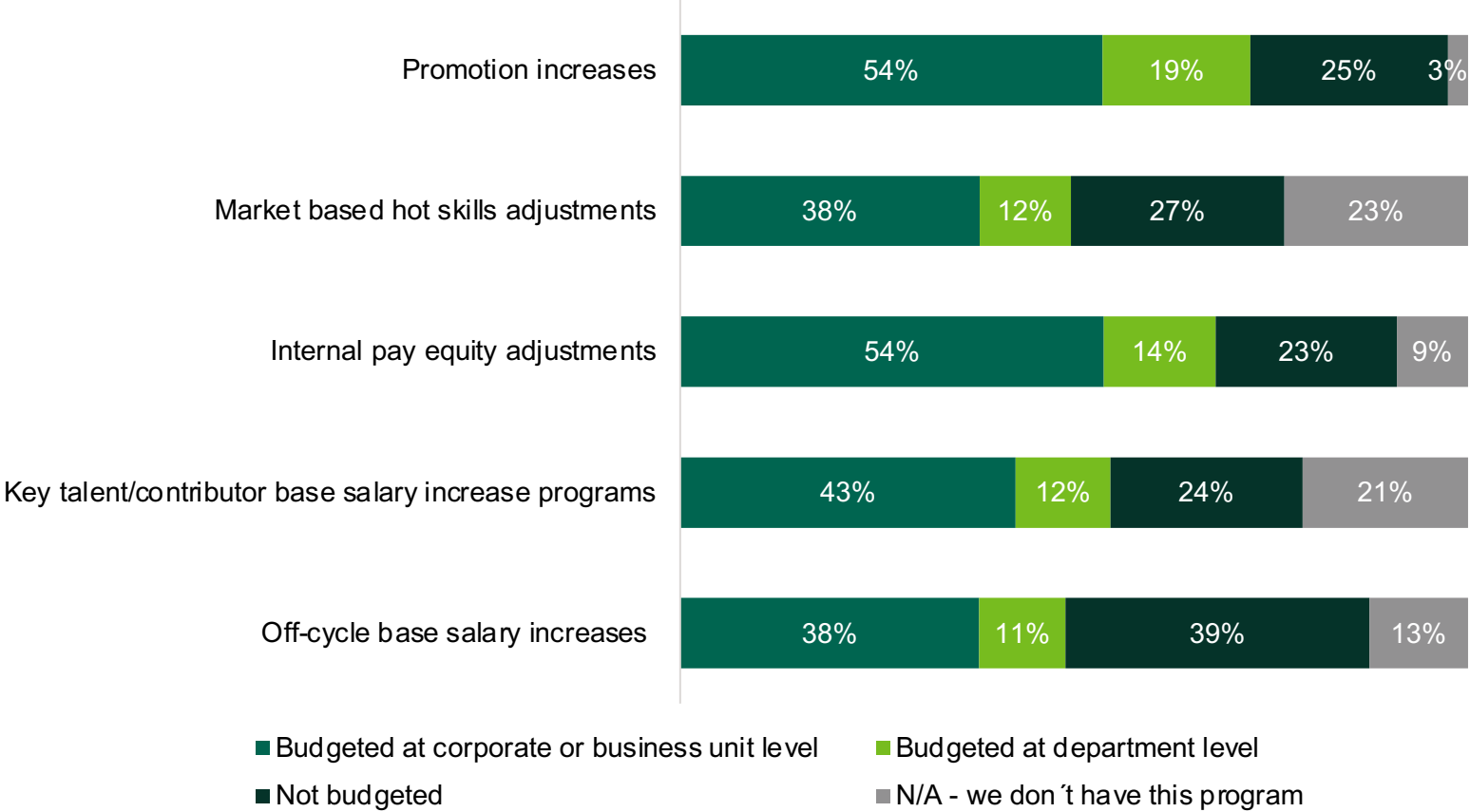
# Increase types included in projections

Organizations that include or exclude each of the following increase types from overall salary increase projections



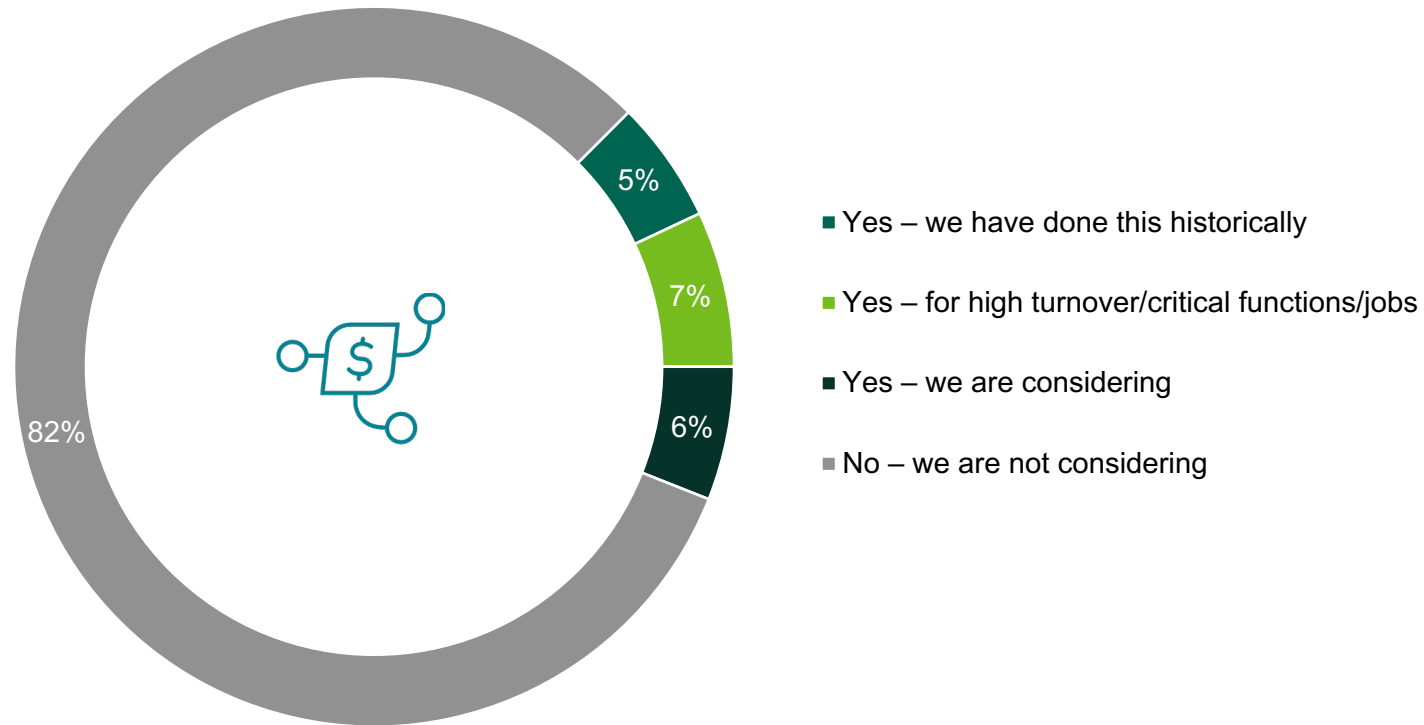
# Salary increase budget practices

Organizations that budget for each of the following base salary increase types



# Differentiated increase budgets by function/roles

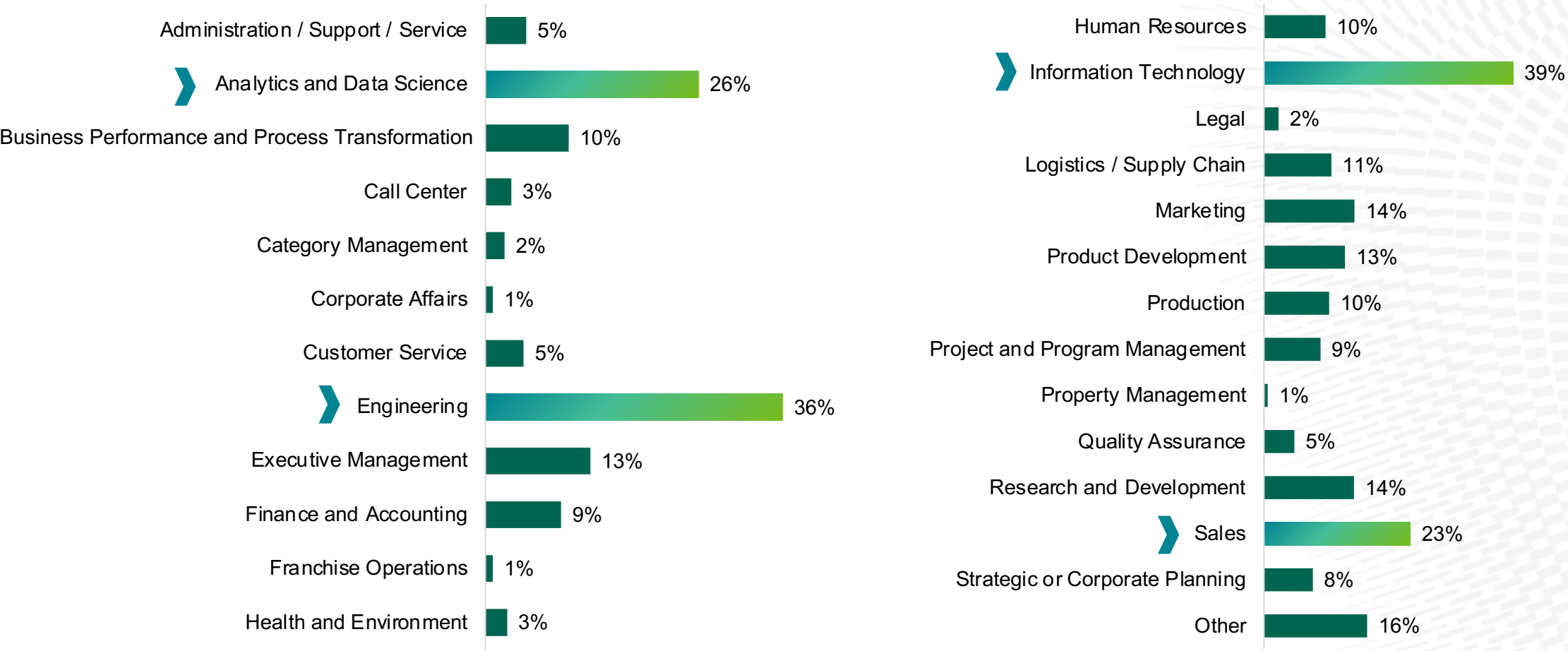
**Organizations that have separate salary increase budgets for different functions or jobs**





# Differentiated salary increase budgets by functions

High Turnover or Critical functions where organizations maintain a separate salary increase budget:

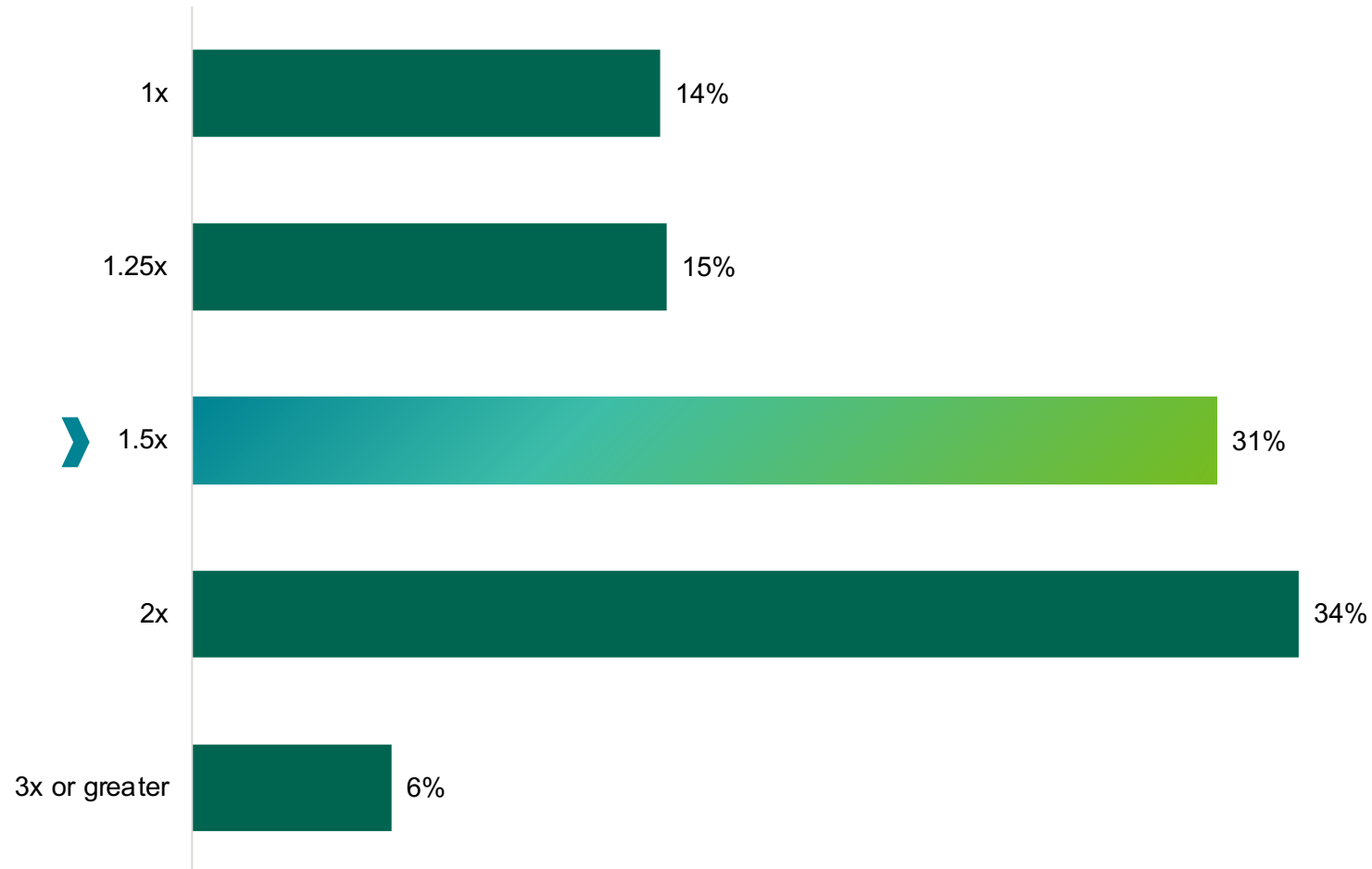




# Approximate percentage of employees receiving base salary increases

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
0 – 25%	19%	14%	14%	14%
30 – 85%	13%	15%	15%	14%
90 – 95%	25%	30%	29%	27%
100%	44%	40%	43%	46%

# Differentiation in salary increases between competent and high performers in 2022

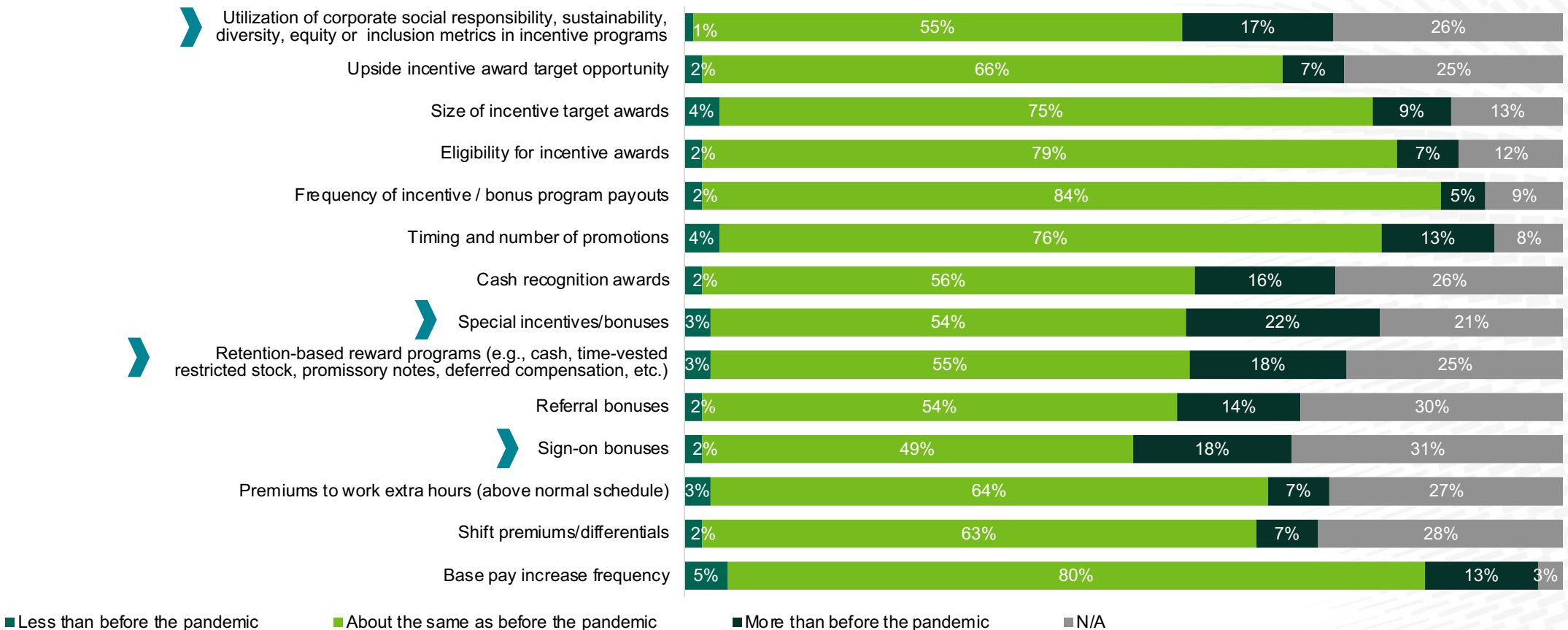


# Base salary increase processes for 2022 compared to previous years



# Changes in cash programs

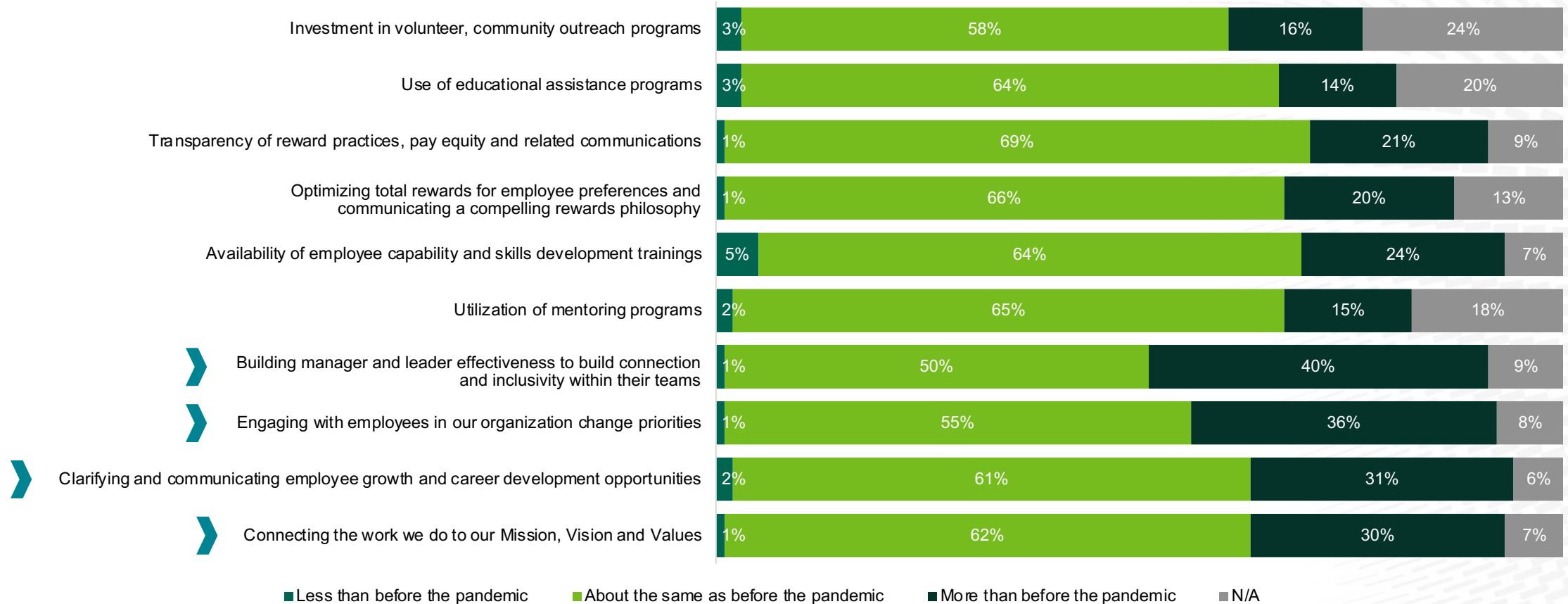
Relative to the following cash compensation practices, the extent that organizations are using them more, less, or about the same as before the pandemic:





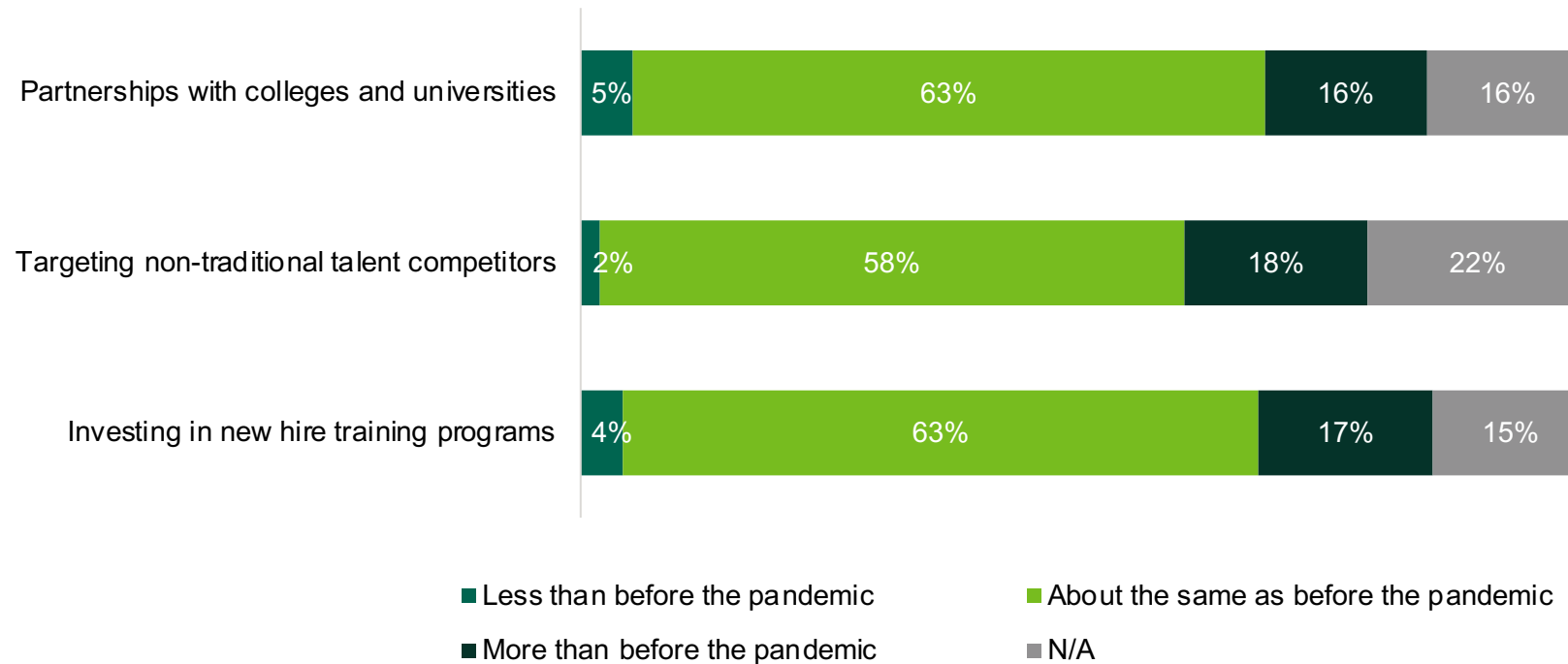
# Changes in non-financial rewards

**Relative to the following non-financial reward practices, the extent that organizations are using them more, less, or about the same as before the pandemic:**



# Changes in talent acquisition programs

**Relative to the following talent acquisition programs, are organizations using them more, less, or about the same as before the pandemic:**

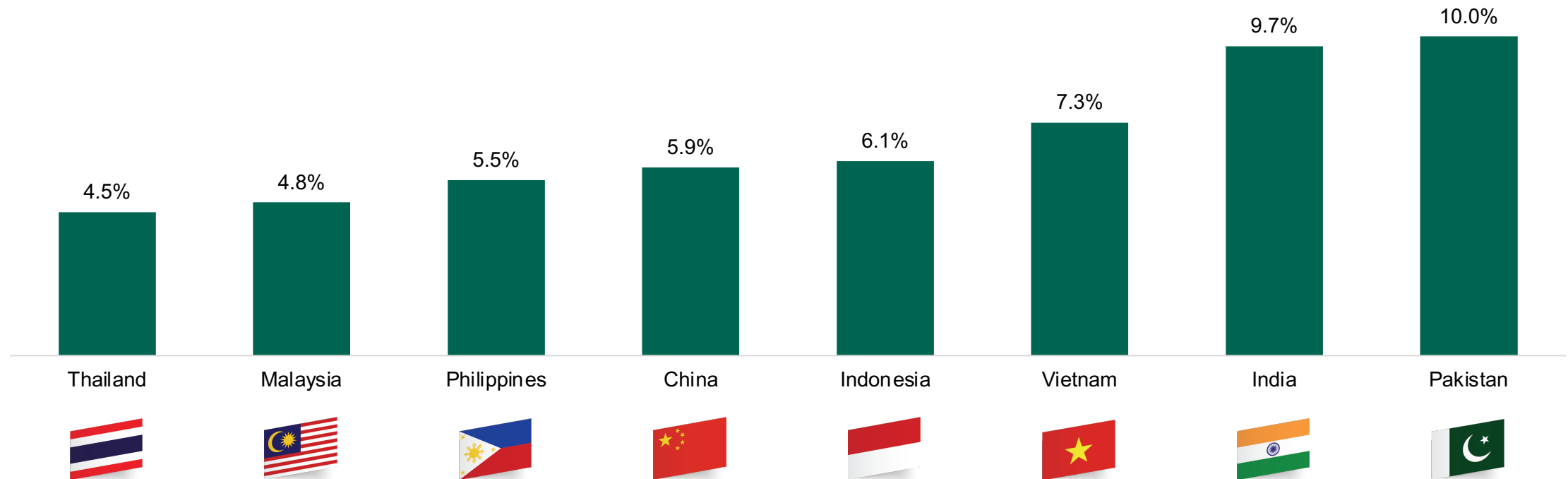




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## Median salary increase overview by country

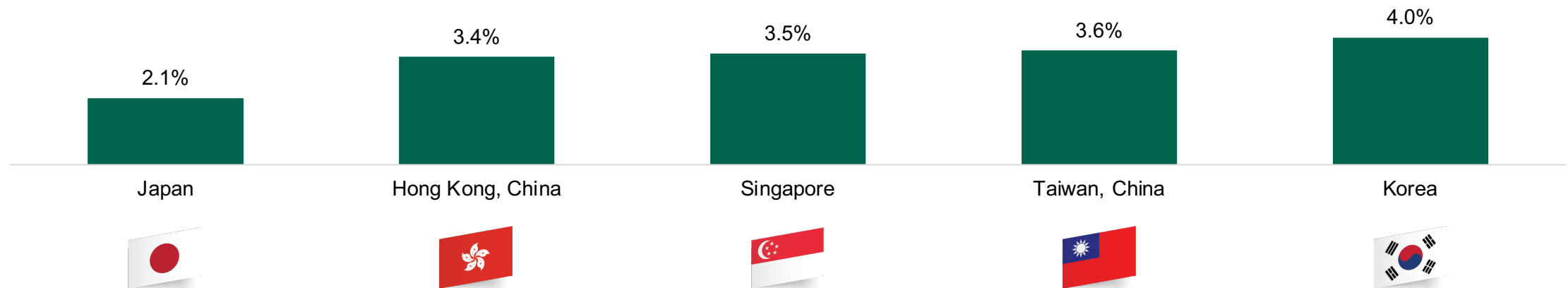
# “Emerging” Asia



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

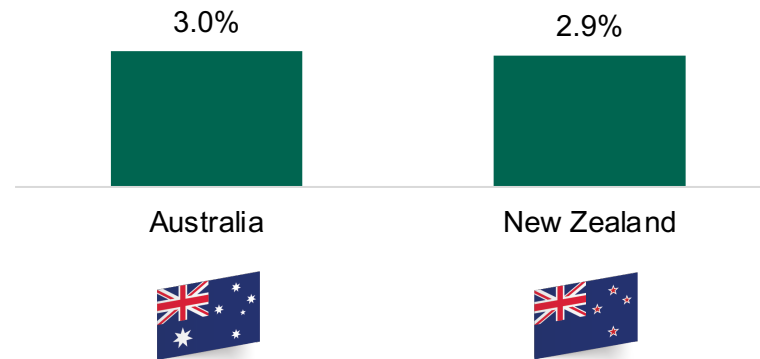


# “Developed” Asia



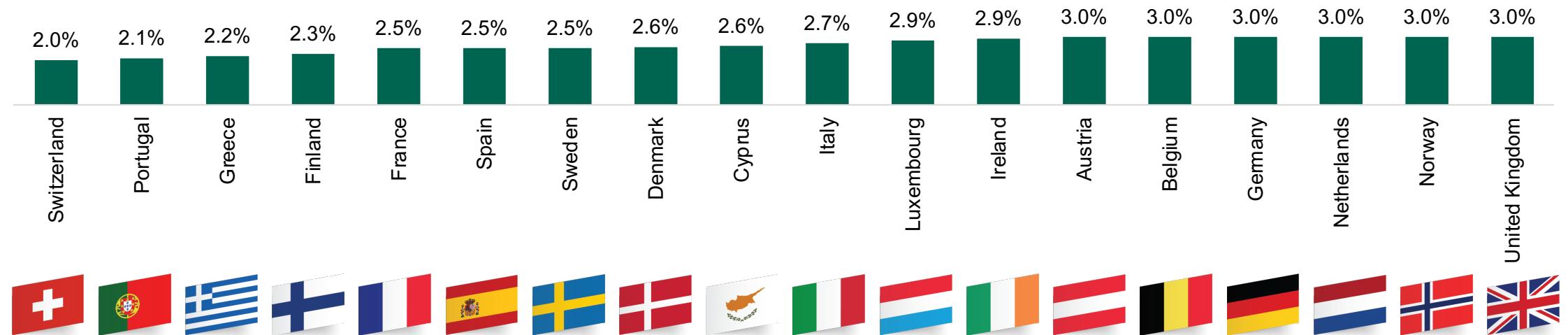
The graph above represents the 2022 median value for planned salary increase across ALL employee groups

# Pacific



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

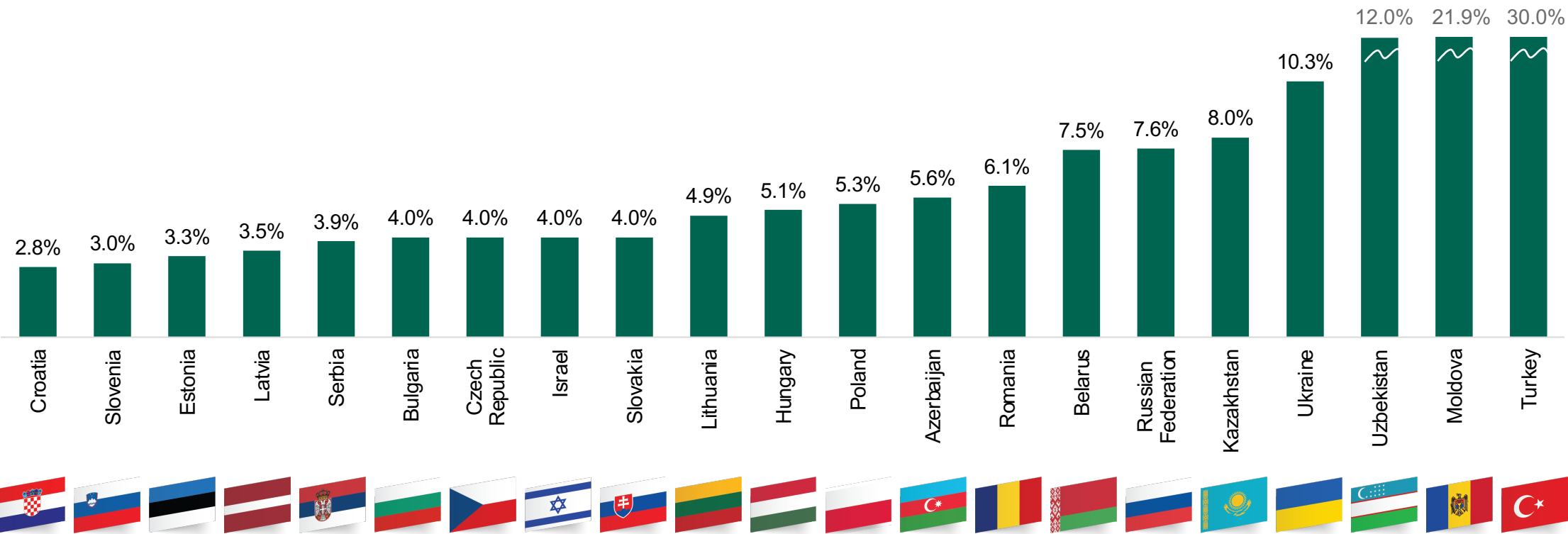
# Western Europe



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

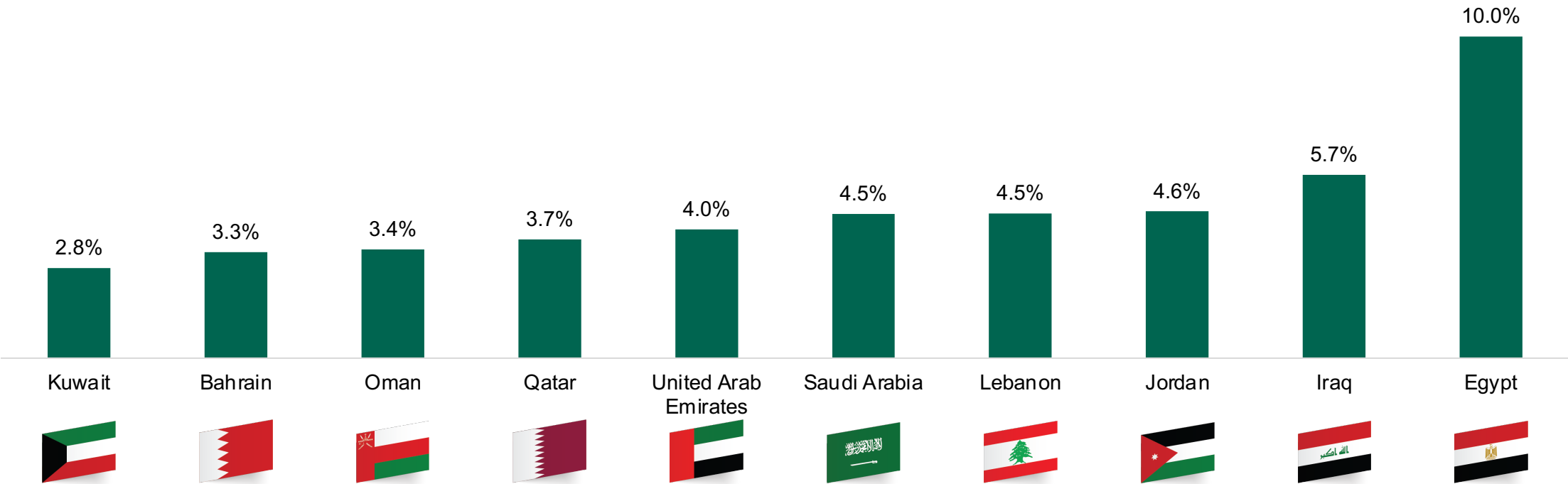


# Eastern and Central Europe



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

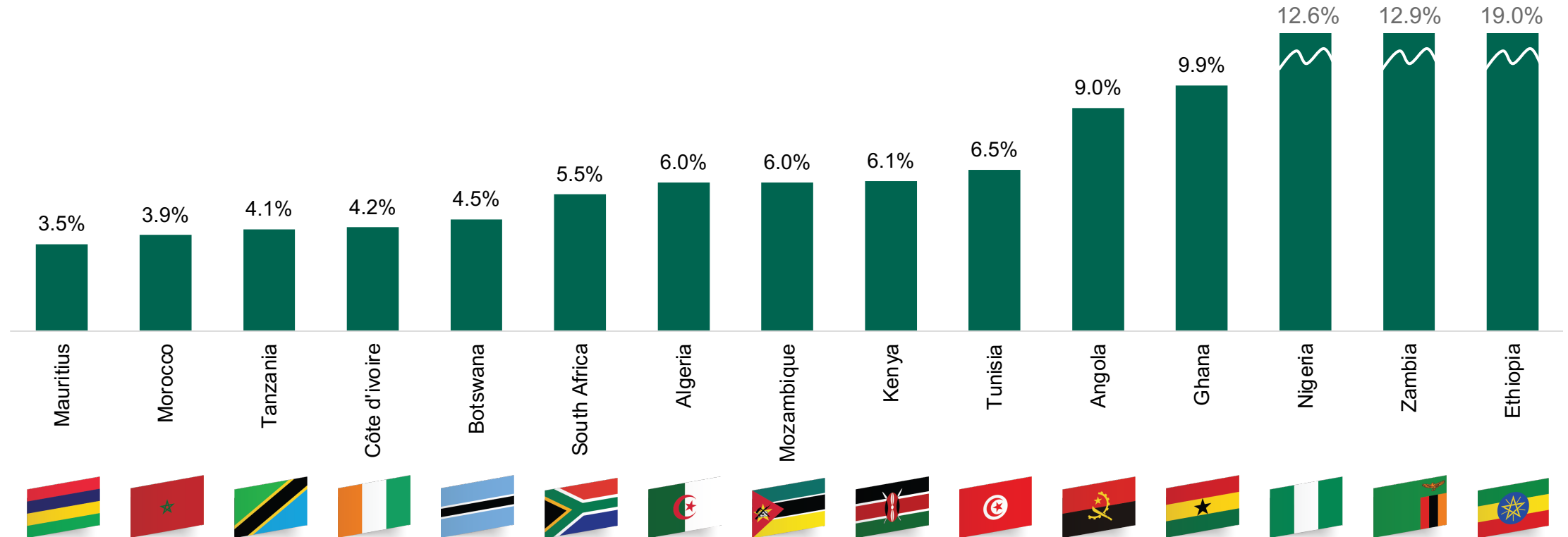
# Middle East



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

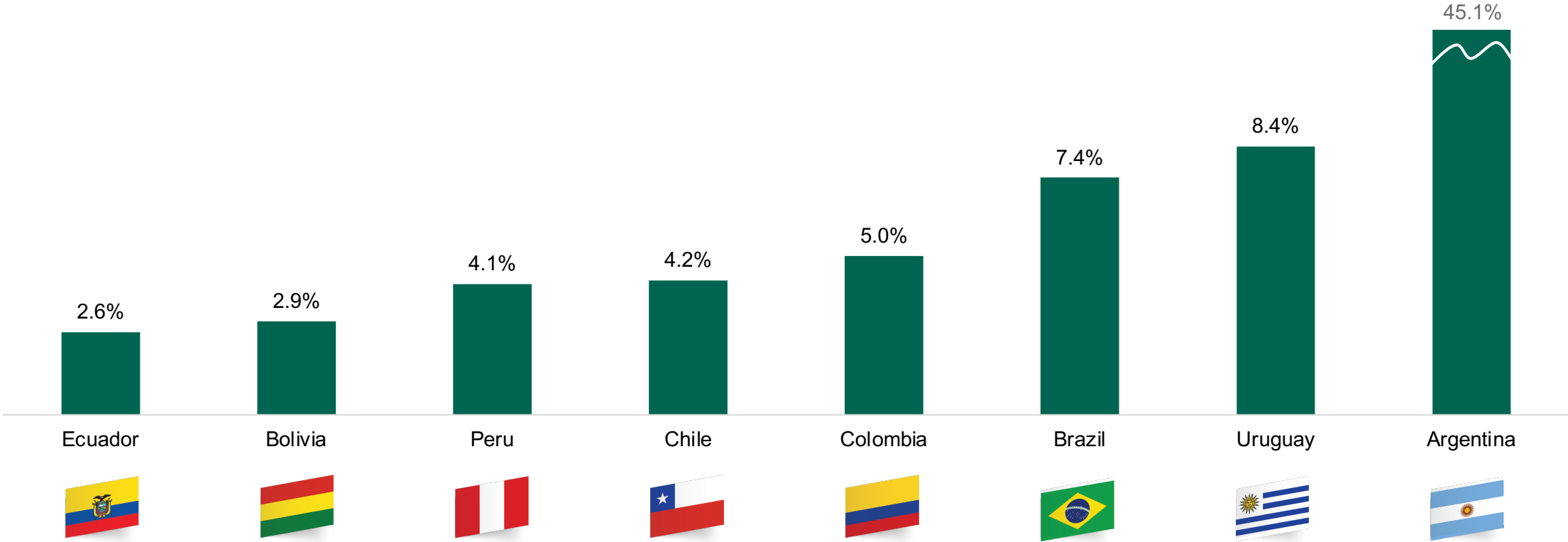


# Africa



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

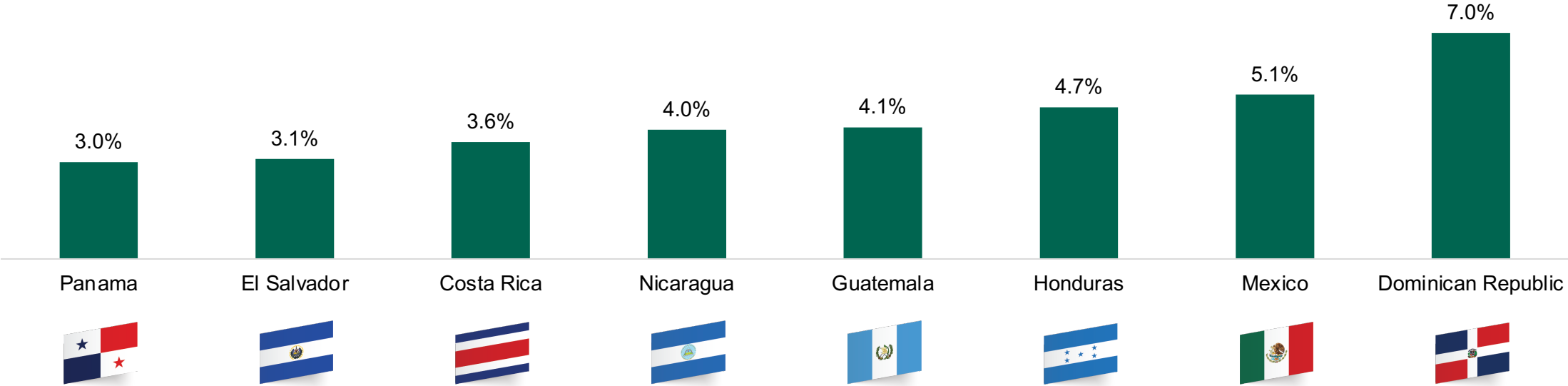
# South America



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

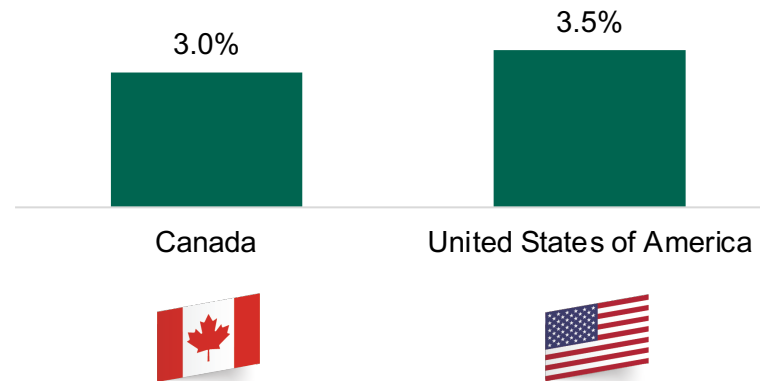


# Mexico and Central America



The graph above represents the 2022 median value for planned salary increase across ALL employee groups

# North America



The graph above represents the 2022 median value for planned salary increase across ALL employee groups



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Median salary increase  
details by country



# “Emerging” Asia

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
China	5.7	6.0	6.0	6.0
India	9.0	9.8	10.0	10.0
Indonesia	6.0	6.0	6.2	6.4
Malaysia	4.5	4.8	4.9	4.8
Pakistan	10.0	10.0	10.0	10.0
Philippines	5.5	5.5	5.5	5.5
Thailand	4.5	4.5	4.5	4.5
Vietnam	7.0	7.1	7.6	7.6

# “Developed” Asia

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Hong Kong, China	3.3	3.5	3.5	3.4
Japan	2.1	2.1	2.1	2.1
Korea	4.1	4.0	4.0	4.0
Singapore	3.5	3.5	3.5	3.5
Taiwan, China	3.6	3.6	3.6	3.6



## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Australia	3.0	3.0	3.0	3.0
New Zealand	2.9	3.0	2.9	3.0



# Western Europe

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Austria	3.0	3.0	3.0	3.0
Belgium	3.0	3.0	3.0	3.0
Cyprus	2.5	2.6	2.6	2.6
Denmark	2.6	2.6	2.5	2.6
Finland	2.2	2.3	2.3	2.2
France	2.5	2.5	2.5	2.5
Germany	3.0	3.0	3.0	3.0
Greece	2.1	2.2	2.2	2.1
Ireland	2.9	3.0	3.0	2.8
Italy	2.6	2.9	2.9	2.5
Luxembourg	2.8	2.8	3.0	2.8
Netherlands	3.0	3.0	3.0	3.0
Norway	3.0	3.0	3.0	3.0
Portugal	2.0	2.0	2.1	2.1
Spain	2.5	2.5	2.5	2.5
Sweden	2.5	2.5	2.5	2.5
Switzerland	2.0	2.0	2.0	2.0
United Kingdom	3.0	3.0	3.0	3.0



# Eastern and Central Europe

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Azerbaijan	5.6	5.6	5.6	5.6
Belarus	N/A	8.0	6.6	8.0
Bulgaria	4.0	4.0	4.0	4.0
Croatia	2.7	2.9	2.9	2.9
Czech Republic	4.0	4.0	4.0	4.0
Estonia	3.1	3.3	3.3	3.3
Hungary	5.0	5.0	5.3	5.1
Israel	4.0	4.0	4.0	4.0
Kazakhstan	8.0	8.0	8.0	8.0
Latvia	3.7	3.4	3.4	3.4
Lithuania	4.5	5.0	5.0	5.0
Moldova	19.4	19.4	24.4	24.4
Poland	5.0	5.5	5.5	5.4
Romania	6.0	6.0	6.0	6.3
Russian Federation	7.5	7.5	7.5	7.8
Serbia	3.7	3.9	3.9	3.9
Slovakia	4.0	4.0	4.0	4.0
Slovenia	2.9	3.0	3.0	3.0
Turkey	30.0	30.0	30.0	30.0
Ukraine	10.0	10.0	11.0	10.0
Uzbekistan	12.0	12.0	12.0	12.0





# Middle East

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Bahrain	3.3	3.3	3.3	3.5
Egypt	10.0	10.0	10.0	10.0
Iraq	4.7	5.5	5.5	7.0
Jordan	4.8	4.5	4.5	4.5
Kuwait	3.3	2.5	2.5	3.0
Lebanon	4.5	4.5	4.5	4.5
Oman	3.7	3.3	3.3	3.3
Qatar	3.5	3.8	3.8	3.8
Saudi Arabia	5.0	4.6	4.2	4.2
United Arab Emirates	4.0	4.0	4.0	4.0

# Africa



## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Algeria	6.0	6.0	6.0	6.0
Angola	8.0	9.0	9.0	10.0
Botswana	4.0	4.0	5.0	5.0
Côte d'Ivoire	3.7	4.4	4.4	4.4
Ethiopia	N/A	19.0	19.0	19.0
Ghana	9.6	10.0	10.0	10.0
Kenya	6.0	6.0	6.0	6.2
Mauritius	3.0	3.5	3.5	4.0
Morocco	3.5	4.0	4.0	4.0
Mozambique	N/A	6.0	6.0	6.0
Nigeria	12.0	13.0	13.0	12.5
South Africa	5.5	5.5	5.5	5.6
Tanzania	4.2	4.2	3.9	4.2
Tunisia	6.5	6.5	6.5	6.5
Zambia	12.5	13.0	13.0	13.0



# South America

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Argentina	45.0	45.0	45.0	45.5
Bolivia	2.8	2.8	2.9	3.1
Brazil	7.2	7.2	7.7	7.4
Chile	4.1	4.3	4.3	4.1
Colombia	4.8	5.0	5.0	5.0
Ecuador	2.8	2.4	2.2	3.0
Peru	4.1	4.0	4.0	4.2
Uruguay	8.3	8.4	8.4	8.4



# Mexico and Central America

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Costa Rica	3.5	3.8	3.5	3.8
Dominican Republic	7.0	7.0	7.0	7.0
El Salvador	3.0	3.1	3.1	3.1
Guatemala	4.0	4.1	4.1	4.1
Honduras	4.8	4.4	4.7	5.0
Mexico	5.0	5.0	5.1	5.3
Nicaragua	4.0	4.0	4.0	4.0
Panama	3.0	3.0	3.0	3.0

# North America

## 2022 median total salary increase projections

	Executive / Senior Management	Middle Management / Seasoned Professional	Supervisory / Junior Professional	Clerical / Operations
Canada	3.0	3.0	3.0	3.0
United States	3.5	3.5	3.5	3.5





06

Additional resources



# Find out more

## Take a deeper dive into the data

Discover how COVID-19 has impacted regions and industries.  
Request your free copy of the regional/ industry reports by filling out the form here.

[REQUEST REPORTS](#)

## Additional resources from Korn Ferry

### Whitepaper

Rewriting the talent recipe.



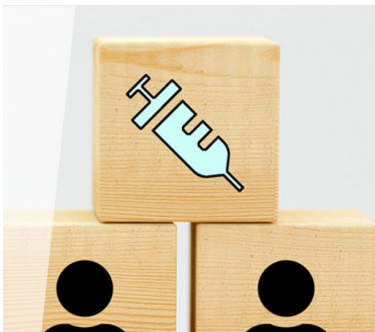
### Perspective paper

Reimagining remote work.



### Article

Vaccine Mandates: A Pressure-Packed Call.



For more information on how we can help you optimize your total rewards program, contact us today.

[CONTACT US](#)



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## Other queries

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For other queries about this survey please direct your email to [KornFerryPayServices@kornferry.com](mailto:KornFerryPayServices@kornferry.com) and we will find the appropriate person to reply

Thank you

