



COVID-19 Impact on Pay Practices & Compensation Strategy

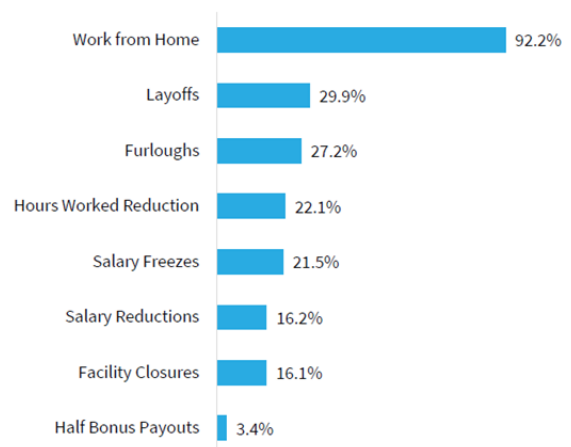
The survey analyzed several factors relating to pay practices and compensation including the impact of turnover on productivity and employment actions organizations are taking due to the negative impact of the pandemic on the economy. Here are some of the findings on the pandemic's effect on pay practices and compensation:

PANDEMIC RESPONSE

90%+ of Organizations Impacted

The majority of respondents (64%) took two or more employment actions in response to the pandemic.

- The most prevalent action was having employees work from home (92%).
- Many organizations (45%) have 80% or more of employees working from home.



59%

No impact on staffing

Most organizations reported that the pandemic had no impact on staffing levels.

16%

Reduced salaries

Of the organizations reporting salary reductions, 47% reported that 25% or fewer of their employees were affected.

16%

Closed facilities

Of the organizations reporting facility closures, 29.6% closed all their facilities.

SURVEY METHODOLOGY

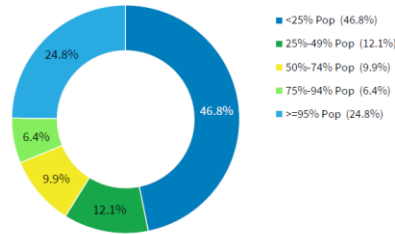
Data was collected between September 8 and September 23, 2020. 1,381 US-based and 14 Canadian-based organizations responded, representing 21 industries. Organizations ranged in size from businesses with fewer than 99 employees to global organizations with greater than 100,000 employees. Salary.com complies with the "safe harbor" guidelines published by the U.S. Department of Justice and the U.S. Federal Trade Commission.



Salary Reductions & Freezes

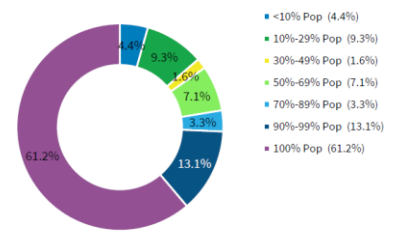
A larger percentage of organizations (21.5%) enacted salary freezes compared to salary reductions (16.2%).

% of Population Affected - Salary Reductions



*Based on 141 participants answering question.

% of Population Affected - Salary Freezes

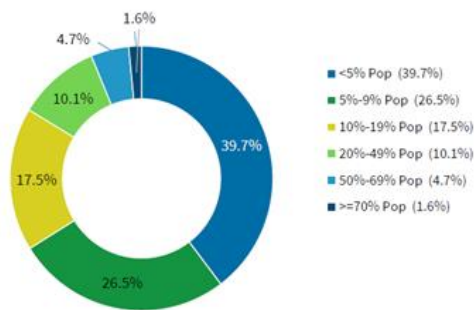


*Based on 183 participants answering question.

Layoffs

Layoffs were reported by 29.9% of organizations. More than half of organizations (66.2%) who experienced layoffs due to the pandemic saw 10% or fewer of their employees affected.

% of Population Affected - Layoffs

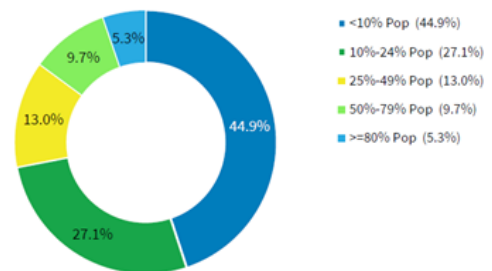


*Based on 257 participants answering question.

Furloughs

Furloughs were reported by 27.2% of organizations. For organizations that furloughed employees, almost half (44.9%) furloughed fewer than 10% of employees.

% of Population Affected - Furloughs



*Based on 207 participants answering question.

For additional insights, download your copy of the 2020 Pay Practices Survey Report.

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