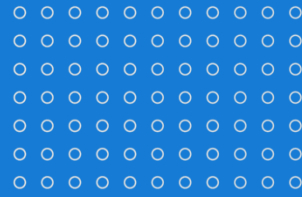


2023 Compensation Planning Guide



HUB International is happy to provide you with the following data to assist you in planning for 2023 personnel expenses. National and regional data are reported as average percentages of payroll.

As you review this information, the following definitions are available for your reference:

- **General increase/COLA:** Across-the-board base pay increase given to all eligible employees.
- **Merit increase:** Pay increase based on individual measures such as performance; the most common type of increase.
- **Other increases:** Pay increase based on other factors such as market adjustments or pay equity adjustments; does not include promotional increases.
- **Total salary increase budget:** The pool of money (as a percent of total payroll) available for base pay increases.
- **Salary structure adjustment:** Increase applied to pay range control points (minimums, midpoints and maximums).
- **Promotional increase:** Pay increase granted as a result of moving to a higher-level job.
- **Variable pay:** Compensation contingent on discretion, performance or results achieved and is provided as a bonus, incentive pay or commission.

CONTACT US

If you would like consulting advice regarding specific issues pertaining to jobs in your organization, or would like additional information about the compensation consulting services we provide, please contact:

Ashley Thomalla, PhD, CCP, GRP

Senior Vice President – HR Consulting

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NATIONAL DATA

Salary Increase Budget by Type			
Type of Increase	2022 Projected	2022 Actual	2023 Projected
General Increase/COLA	1.6	1.9	2.3
Merit Increase	2.9	3.5	3.6
Other Increase	0.9	1.3	1.2
Total Increase	3.3	4.1	4.1

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Total Salary Increase Budget by Employee Group, 2021 Revenue and # of Employees			
Employee Group	2022 Projected	2022 Actual	2023 Projected
Nonexempt Hourly Nonunion	3.3	4.2	4.1
Nonexempt Salaried	3.2	4.1	4.1
Exempt Salaried	3.3	4.2	4.2
Officers/Executives	3.2	3.9	4.1
2021 Revenue	2022 Projected	2022 Actual	2023 Projected
Up to \$10M	3.4	4.1	3.9
>\$10M to \$30M	3.3	4.5	4.5
>\$30M to \$100M	3.6	4.5	4.7
>\$100M to \$300M	3.3	4.4	4.5
>\$300M to \$600M	3.3	4.1	4.1
>\$600M to \$1B	3.5	4.1	4.2
>\$1B to \$3B	3.2	4.1	4.1
>\$3B to \$5B	3.3	4.0	4.2
>\$5B to \$8B	3.1	3.9	3.7
>\$8B to \$10B	2.8	3.7	3.7
# of Employees	2022 Projected	2022 Actual	2023 Projected
1 to 499	3.5	4.5	4.4
500 to 2,499	3.3	4.2	4.2
2,500 to 9,999	3.2	4.1	4.1
10,000 to 19,999	3.2	3.9	4.1
20,000+	3.1	3.8	3.8

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Total Salary Increase Budget by Industry			
Industry	2022 Projected	2022 Actual	2023 Projected
Accommodation & Food Service	3.1	3.8	3.7
Ag, Forestry, Fishing & Hunting	3.2	3.7	4.7
Arts, Entertainment & Recreation	3.0	3.8	4.3
Construction	3.4	4.1	4.1
Educational Services	2.5	3.7	3.7
Finance & Insurance	3.2	4.1	4.1
Healthcare & Social Assistance	3.2	3.9	3.9
Information	3.5	4.3	4.4
Manufacturing	3.3	4.0	4.0
Public Administration	3.0	4.7	4.7
Real Estate/Rental & Leasing	3.4	4.4	4.2
Retail Trade	3.2	3.8	3.8
Telecommunications	3.2	4.0	3.9
Transportation & Warehousing	3.1	4.2	4.2
Utilities	3.2	3.9	4.1
Wholesale Trade	3.2	4.1	3.9

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Merit Increase Budget by Employee Group		
Employee Group	2022 Actual	2023 Planned
Non-exempt	3.0	3.2
Exempt (Non-management)	3.0	3.2
Managers	3.0	3.2
Officers & Executives	2.8	3.1

Source: Salary Budget Survey, Payscale 2022/2023

Salary Structure Adjustments by Employee Group

Employee Group	2022 Projected	2022 Actual	2023 Projected
Nonexempt Hourly Nonunion	2.1	2.8	2.8
Nonexempt Salaried	2.1	2.8	2.7
Exempt Salaried	2.1	2.7	2.7
Officers/Executives	2.0	2.5	2.6

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Salary Structure Adjustments by Employee Group

Employee Group	2022 Actual	2023 Planned
Non-exempt	2.4	2.4
Exempt (Non-management)	2.5	2.4
Managers	2.4	2.4
Officers & Executives	2.2	2.3

Source: Salary Budget Survey, Payscale 2022/2023

Variable Pay Budget by Employee Group

Employee Group	2021 Percent Paid	2022 Percent Budgeted	2022 Projected Percent Paid	2023 Projected Percent Budgeted
Nonexempt Hourly Nonunion	6.6	5.7	6.4	5.6
Nonexempt Salaried	7.9	6.4	7.3	6.5
Exempt Salaried	15.2	13.3	14.8	13.3
Officers/Executives	45.2	38.6	42.7	38.3

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Variable Pay as a Percentage of Base Pay by Employee Group

Employee Group	2022 Estimated	2022 Budgeted
Nonexempt	6.1	5.8
Exempt	10.1	9.8
Other Managers	15.4	16.2
Executives	36.2	37.1

Source: 12th Annual U.S. and Canada Salary Budget Survey, Salary.com 2022/2023

REGIONAL DATA

Projected Salary Increase Budget by Region and Type				
Region	General Increases/COLA	Merit Increases	Other Increases	Total Increases
Northeast Region	0.9	3.4	0.7	3.8
Middle Atlantic Region	1.1	3.5	0.7	3.8
Midwest Region	1.2	3.4	0.6	3.8
South Region	1.2	3.4	0.7	3.8
West Region	1.3	3.4	0.7	3.8

Source: Salary Budget Survey, Payscale 2022/2023

Total Salary Increase Budget by Employee Group and Region								
Employee Group	2022 Actual				2023 Projected			
	Central Region	East Region	South Region	West Region	Central Region	East Region	South Region	West Region
Nonexempt Hourly Nonunion	4.1	4.0	4.1	4.2	4.0	4.0	4.1	4.2
Nonexempt Salaried	4.0	4.0	4.1	4.1	4.0	4.1	4.1	4.1
Exempt Salaried	4.1	4.1	4.1	4.2	4.0	4.1	4.1	4.2
Officers/Executives	3.8	3.8	3.9	4.0	3.9	4.0	4.0	4.1

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Salary Structure Adjustments by Employee Group and Region								
Employee Group	2022 Actual				2023 Projected			
	Central Region	East Region	South Region	West Region	Central Region	East Region	South Region	West Region
Nonexempt Hourly Nonunion	2.9	2.8	2.9	2.9	2.7	2.7	2.8	2.8
Nonexempt Salaried	2.8	2.8	2.8	2.8	2.7	2.7	2.7	2.7
Exempt Salaried	2.7	2.7	2.7	2.7	2.6	2.7	2.7	2.7
Officers/Executives	2.4	2.4	2.4	2.4	2.6	2.6	2.6	2.5

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Salary Structure Adjustments by Employee Group and Region

Employee Group	2022 Actual					2023 Planned				
	North-east	Mid-Atlantic	South	Mid-west	West	North-east	Mid-Atlantic	South	Mid-west	West
Non-exempt	2.3	2.4	2.3	2.4	2.5	2.3	2.3	2.3	2.3	2.4
Exempt (Non-management)	2.3	2.5	2.3	2.4	2.5	2.3	2.4	2.3	2.3	2.4
Managers	2.3	2.5	2.3	2.4	2.5	2.3	2.4	2.3	2.3	2.4
Officers & Executives	2.2	2.2	2.1	2.2	2.3	2.2	2.2	2.2	2.2	2.3

Source: Salary Budget Survey, Payscale 2022/2023

Variable Pay Budget by Employee Group – Central Region

Employee Group	2021 Percent Paid	2022 Percent Budgeted	2022 Projected Percent Paid	2023 Projected Percent Budgeted
Nonexempt Hourly Nonunion	6.5	5.7	6.2	5.6
Nonexempt Salaried	8.0	6.4	7.5	6.4
Exempt Salaried	15.7	13.6	15.3	13.6
Officers/Executives	48.3	41.3	45.9	40.7

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Variable Pay Budget by Employee Group – East Region

Employee Group	2021 Percent Paid	2022 Percent Budgeted	2022 Projected Percent Paid	2023 Projected Percent Budgeted
Nonexempt Hourly Nonunion	6.7	5.8	6.4	5.6
Nonexempt Salaried	7.8	6.3	7.3	6.2
Exempt Salaried	16.3	14.0	16.0	14.0
Officers/Executives	49.1	40.9	45.5	40.3

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Variable Pay Budget by Employee Group – South Region

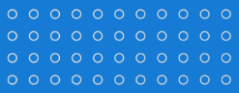
Employee Group	2021 Percent Paid	2022 Percent Budgeted	2022 Projected Percent Paid	2023 Projected Percent Budgeted
Nonexempt Hourly Nonunion	6.6	5.7	6.4	5.6
Nonexempt Salaried	8.4	6.0	7.3	6.0
Exempt Salaried	16.1	13.9	15.6	13.8
Officers/Executives	51.0	42.2	48.3	41.3

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023

Variable Pay Budget by Employee Group – West Region

Employee Group	2021 Percent Paid	2022 Percent Budgeted	2022 Projected Percent Paid	2023 Projected Percent Budgeted
Nonexempt Hourly Nonunion	6.8	5.9	6.6	5.8
Nonexempt Salaried	8.3	6.4	8.0	6.5
Exempt Salaried	15.9	13.7	15.7	13.8
Officers/Executives	49.5	41.1	47.0	40.6

Source: 49th Annual Salary Budget Survey, World at Work 2022/2023



LET US HELP YOU STAY COMPETITIVE, CURRENT, AND COMPLIANT

With our HR Consulting Team’s extensive experience and integrated approach, we can help your organization develop effective compensation strategies, mitigate compliance risks and maximize resources to drive both employee and organizational performance. Our team can help structure competitive base pay plans, incentive plans and total rewards strategies. Our experts stay abreast of regulatory changes and help you interpret the impact for your organization, greatly reducing complexity and time involved. Done properly, risks that could have a crippling effect can be eliminated. Leverage your human resources to achieve strategic and financial goals. Contact us today to see how we can help you.

