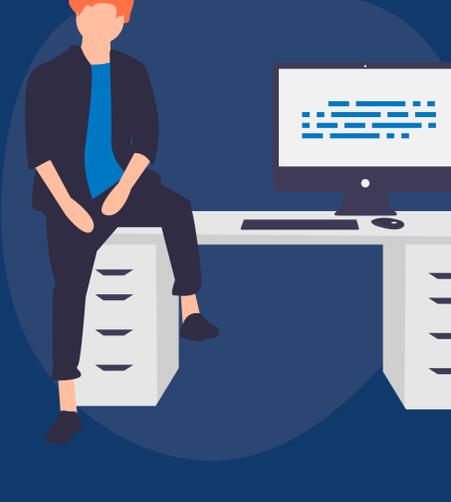


EQUAL PAY DAY 2023: PAY TRANSPARENCY

Pay transparency has become a hot topic in recent years after several states and localities, such as Colorado, California and New York City, have implemented new laws requiring that employers include salary ranges in their job postings. With these changes, many employers are grappling with new questions about pay transparency and how to do it right.

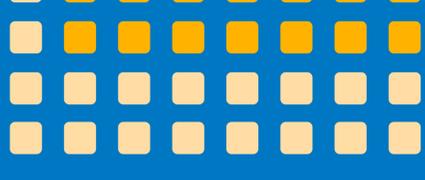
SHRM conducted research to understand how organizations are approaching the inclusion of pay ranges in their job postings, what impact they're seeing and how U.S. workers feel about organizations doing so.



Current State: Pay Transparency

42%

of HR professionals sampled said their organization operates in a location that **requires** pay ranges to be included in job postings.

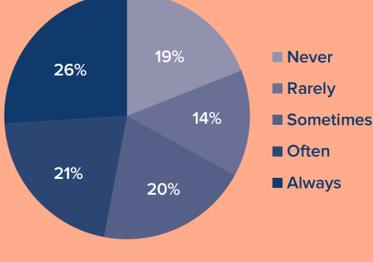


When not required by law, however, **over two in three (67%)** HR professionals say their organization **voluntarily** lists starting pay in their job postings sometimes, often or always.

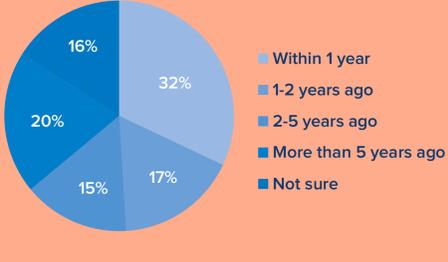


What's more, **32% of these organizations** began including pay information in their job postings within the past year—signaling some employers may be planning ahead in anticipation of new pay transparency trends.

How frequently do organizations list pay ranges in job postings when not required by law?



When did these organizations* begin listing starting pay ranges in job postings?



*Among organizations that do so voluntarily sometimes, often or always

Pay Transparency: Hindrance or Competitive Advantage?

As employers consider how best to approach pay transparency, some have raised concerns that posting pay ranges may lead to negative outcomes, such as fewer people being interested in applying. However, data from organizations that list starting pay on job postings presents some favorable outcomes:



of organizations that list pay ranges on job postings say that doing so has led to **more people applying** to their postings.



of organizations that list pay ranges on job postings say that doing so has **increased the quality of applicants** they're seeing.



of organizations that list pay ranges on job postings say that doing so makes them **more competitive in attracting top talent**.

How Pay Transparency Influences Applicant Behavior

82%

of U.S. workers are **more likely to consider applying** to a job if the pay range is listed in the job posting.

74%

of U.S. workers say that they are **less interested in applying** to job postings that do not list a pay range.

73%

of U.S. workers are more likely to **trust organizations** that provide pay ranges in job postings than ones that do not.

When considering pay transparency in job postings, organizations will also need to prepare for how posting salaries may affect current employees.



of organizations said this change caused **more current employees to ask about receiving a pay raise.**

Methodology

The survey of HR professionals was fielded electronically to a random sample of HR professionals based on active SHRM membership. The survey was fielded from February 21 to February 27, 2023. In total, 1,386 HR professionals participated in the survey. Academics, students, consultants, and retired HR professionals were excluded. Respondents represent organizations across all sizes, industries, sectors and regions across the United States.

The survey of 484 working Americans was conducted using the Amerispeak Omnibus, NORC at the University of Chicago's probability-based panel designed to be representative of the U.S. household population. For the purposes of this survey, we refer to this group as "U.S. workers." The survey was administered from February 16, 2023, to February 20, 2023. All data was weighted to reflect the U.S. adult population.