

# Global Compensation Report

Q4 2016

Powered by:  
**Radford**  
An Aon Hewitt Company

AKT's quarterly Global Compensation Report aims to provide a snapshot of the current state of global compensation, and the trends that shape the C&B scene.

The report is Powered by Radford, the leading global provider of compensation intelligence to the technology and life sciences sectors, and is based on Radford's Global Trends Report – Technology Edition. For the full report please contact us.

## Data:

### 1. Merit and Overall Increases – Overall Employee Population:

2016 budgets and the 2016 actual merit and overall increases are moderately trending downwards since the Q3'16 report (changes are marked with arrows).

Country	Percentile	2015 Actual		2016 Budget		2016 Actual	
		Merit	Overall	Merit	Overall	Merit	Overall
US	50th	3.0%	3.0%	3.0%	3.1%	3.0%	3.0%
	75th	3.0%	4.0%	3.2%	4.1%	3.0%	4.0%
UK	50th	3.0%	3.0%	3.0%	3.2%	3.0%	3.0%
	75th	3.0%	4.0%	3.2%	4.1%	3.0%	3.5%
India	50th	10.5%	11.0%	10.2%	10.7%	10.5	11.0%
	75th	11.0%	11.5%	11.0%	12.0%	11.0%	11.5%
China	50th	8.0%	8.0%	7.5%	8.0%	7.6%	8.0%
	75th	8.0%	9.0%	8.0%	9.0%	8.0%	8.5%
Russia	50th	8.0%	8.4%	8.0%	8.3%	8.0%	8.2%
	75th	8.9%	10.0%	9.0%	10.0%	8.5%	9.5%
Israel	50th	3.0%	3.5%	3.1%	3.5%	3.0%	3.4%
	75th	3.4%	4.0%	3.5%	4.1%	3.2%	3.7%

#### How to read this report:

**Overall Employee Population:** All employees in a country, including sales personnel if part of the overall budget.

**Sales Employee Population:** Management and non-management employees on a sales incentive plan.

#### Budget and Actual:

- Actual base salary increases delivered in calendar year 2015.
- Base salary increase budget for increases to be delivered in calendar year 2016 if known at time of submission.
- Actual base salary increases delivered in calendar year 2016.

**Merit Increase:** Increase in pay typically based on the employee's work performance and contribution to the organization (may not be reported if a company does not have a separate merit budget or track actual merit increases).

**Overall Increase:** Total increase in pay, combining merit increases, promotion/other adjustment increases (if applicable), general/cost of living increases (if applicable), and mandatory/required increases (if applicable, e.g. Brazil, Belgium, etc.).

**Percentage Increase:** Percentage of total base payroll; for India only, percentage of fixed compensation (basic salary plus allowances).

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## 2. Merit and Overall Increases – Sales Employee Population:

2016 budgets and the 2016 actual merit and overall increases are moderately trending downwards since the Q3'16 report (changes are marked with arrows).

Country	Percentile	2015 Budget		2016 Actual		2016 Budget		Same Budget (*)
		Merit	Overall	Merit	Overall	Merit	Overall	
US	50th	3.0%	3.1%	3.0%	3.2%	3.0%	3.1%	64%
	75th	3.0%	4.0%	3.2%	4.0%	3.0%	4.0%	
UK	50th	3.0%	3.0%	3.0%	3.1%	3.0%	3.0%	64%
	75th	3.0%	4.0%	3.2%	4.0%	3.0%	4.0%	
India	50th	10.5%	11.0%	10.2%	10.7%	10.5%	11.0%	68%
	75th	11.0%	11.5%	11.0%	12.0%	11.0%	11.5%	
China	50th	8.0%	8.0%	7.5%	7.8%	7.8%	8.0%	68%
	75th	8.0%	9.0%	8.0%	8.9%	8.0%	8.8%	
Russia	50th	8.0%	8.2%	8.0%	8.2%	8.0%	8.2%	71%
	75th	8.6%	9.6%	8.9%	9.6%	8.7%	9.5%	
Israel	50th	3.0%	3.4%	3.1%	3.4%	3.0%	3.4%	73%
	75th	3.4%	4.0%	3.5%	4.1%	3.2%	3.6%	

(\*) Percent of companies with same budgets and actuals for Sales and Overall

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### 3. Merit and Overall Increases - Summary and insights

Overall, we are seeing a worldwide trend of continuing stable increases. Most companies around the globe increased salaries in both 2015 and 2016.

The majority of companies had a merit budget in 2016.

Further data published this Quarter regarding 2016 budgets shows almost all countries globally maintaining similar or slightly higher merit and overall increases than in 2015.



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### 4. Hot Topics: Internship Program Pay Practices

**Internship Definition:** Internships are typically temporary jobs offered to students who are enrolled in a college or university.

Such positions are generally offered for a period of time, rather than being open-ended, and may be offered during school breaks (e.g., summer) on a full-time basis, or during the school year on a part-time basis (e.g., a certain number of hours per day or certain days per week).

Type of Internship Program Offered	Canada		China		India		United Kingdom		United State	
	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.
Formal paid internship program	65	23.8%	56	24.5%	62	29.4%	61	19.1%	283	57.6%
Informal paid internship program	27	9.9%	16	7.0%	15	7.1%	24	7.5%	117	23.8%
Some interns are paid while others are not	5	1.8%	4	1.7%	4	1.9%	7	2.2%	12	2.4%
Internship are unpaid	1	0.4%	0	0.0%	2	0.9%	0	0.0%	1	0.2%
No internship program	175	64.1%	153	66.8%	128	60.7%	228	71.3%	78	15.9%

Typical Number of Hours Worked Per Week	Canada		China		India		United Kingdom		United State	
	Hours Worked	Co. Count	Hours Worked	Co. Count	Hours Worked	Co. Count	Hours Worked	Co. Count	Hours Worked	Co. Count
Full-time Intern										
Average number of hours work	40	91	40	69	41	79	40	87	40	383
Part-time Intern										
Average number of hours work	23	42	23	41	21	28	21	45	21	237

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### 4. Hot Topics: Internship Program Pay Practices

Intern Pay Practices/Guidelines	Canada		China		India		United Kingdom		United State	
	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.
How base pay/fixed compensation is typically communicated to intern population										
Hourly rate	74	76.3%	32	42.1%	24	29.6%	44	47.8%	384	93.2%
Monthly rate	14	14.4%	22	28.9%	42	51.9%	30	32.6%	16	3.9%
Flat amount/stipend for the duration of the internship	7	7.2%	8	10.5%	15	18.5%	18	19.6%	12	2.9%
Other	2	2.1%	14	18.4%	0	0.0%	0	0.0%	0	0.0%

Percent of Interns Who Accepted Offers of Regular Full-time Employment	Globally		Canada		China		India		United Kingdom		United State	
	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.	Co. Count	% Cos.
None (in the last 12 months)	46	12.0%	9	13.2%	2	4.2%	2	3.5%	11	18.0%	44	12.3%
Less than 10%	125	32.6%	28	41.2%	17	35.4%	19	33.3%	21	34.4%	115	32.1%
10-24%	78	20.3%	12	17.6%	10	20.8%	11	19.3%	12	19.7%	70	19.6%
25-49%	57	14.8%	6	8.8%	10	20.8%	11	19.3%	5	8.2%	57	15.9%
50-75%	43	11.2%	6	8.8%	2	4.2%	9	15.8%	8	13.1%	41	11.5%
More than 75%	35	9.1%	7	10.3%	7	14.6%	5	8.8%	4	6.6%	21	8.7%

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## About AKT:

AKT is a global organization that works with clients throughout their journey to improve their workforce's performance and find better ways to manage their human capital.

We pride ourselves in being technologically innovative and thought leaders; on delivering real value to our clients and delighting them on a daily basis, and on being a special place to work at.

Our obsession with quality and domain expertise is recognized through countless industry awards and global success stories.

## About Radford Surveys:

Radford is the leading global provider of compensation intelligence and consulting services to the technology and life sciences sectors. Radford surveys provide unmatched compensation intelligence for innovation-based companies.

Featuring data for more than 9 million sales and non-sales incumbents spanning 80 surveyed countries at more than 3,000 participating organizations, Radford's global survey platform is the leading unified source of comprehensive compensation - cash, equity and plan design insights.

## Surveyed Countries:

Americas	Asia/Pacific	Europe		Middle East/ Africa
<ul style="list-style-type: none"> <li>• Argentina</li> <li>• Barbados</li> <li>• Bermuda</li> <li>• Bolivia</li> <li>• Brazil</li> <li>• Canada</li> <li>• Chile</li> <li>• Colombia</li> <li>• Costa Rica</li> <li>• Dominican Rep.</li> <li>• Ecuador</li> <li>• El Salvador</li> <li>• Guatemala</li> <li>• Honduras</li> <li>• Mexico</li> <li>• Panama</li> <li>• Paraguay</li> <li>• Peru</li> <li>• Puerto Rico</li> <li>• Trinidad &amp; Tobago</li> <li>• Uruguay</li> <li>• United States</li> <li>• Venezuela</li> </ul>	<ul style="list-style-type: none"> <li>• Australia</li> <li>• Bangladesh</li> <li>• China</li> <li>• Hong Kong</li> <li>• India</li> <li>• Indonesia</li> <li>• Japan</li> <li>• Kazakhstan</li> <li>• Macau</li> <li>• Malaysia</li> <li>• New Zealand</li> <li>• Pakistan</li> <li>• Philippines</li> <li>• Singapore</li> <li>• South Korea</li> <li>• Sri Lanka</li> <li>• Taiwan</li> <li>• Thailand</li> <li>• Vietnam</li> </ul>	<ul style="list-style-type: none"> <li>• Armenia</li> <li>• Austria</li> <li>• Belgium</li> <li>• Bosnia &amp; Herzegovina</li> <li>• Bulgaria</li> <li>• Croatia</li> <li>• Cyprus</li> <li>• Czech Rep.</li> <li>• Denmark</li> <li>• Estonia</li> <li>• Finland</li> <li>• France</li> <li>• Germany</li> <li>• Greece</li> <li>• Hungary</li> <li>• Iceland</li> <li>• Ireland</li> <li>• Italy</li> </ul>	<ul style="list-style-type: none"> <li>• Latvia</li> <li>• Lithuania</li> <li>• Luxembourg</li> <li>• Netherlands</li> <li>• Norway</li> <li>• Poland</li> <li>• Portugal</li> <li>• Romania</li> <li>• Russia</li> <li>• Serbia</li> <li>• Slovakia</li> <li>• Slovenia</li> <li>• Spain</li> <li>• Sweden</li> <li>• Switzerland</li> <li>• Turkey</li> <li>• Ukraine</li> <li>• United Kingdom</li> </ul>	<ul style="list-style-type: none"> <li>• Algeria</li> <li>• Bahrain</li> <li>• Cameroon</li> <li>• Egypt</li> <li>• Ghana</li> <li>• Israel</li> <li>• Jordan</li> <li>• Kenya</li> <li>• Kuwait</li> <li>• Lebanon</li> <li>• Mauritius</li> <li>• Morocco</li> <li>• Mozambique</li> <li>• Nigeria</li> <li>• Oman</li> <li>• Qatar</li> <li>• Saudi Arabia</li> <li>• Senegal</li> <li>• South Africa</li> <li>• Tanzania</li> <li>• Tunisia</li> <li>• United Arab Emirates</li> </ul>