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Assuming more responsibilities at work can lead to a higher salary and a promotion – what employees need to know

- 79% of Australian employers have tasked their employees with additional responsibilities with 45% of them not providing a financial incentive, such as a pay rise or a bonus.
- 40% have assigned additional responsibilities as a 'trial', wanting to assess an employee's performance before providing them with a pay rise or bonus.
- Other reasons for not providing financial incentives include the extra responsibilities being a temporary situation (44%), lack of budget (34%), and it not being an official promotion (31%).

Sydney, 15 May 2023 – Independent research from specialised recruiter <u>Robert Half</u> finds 79% of employers have given their existing employees extra responsibilities in order to keep their business operating effectively. While 34% have provided a financial incentive to these employees, 45% of employers did not - with one in four (40%) saying they are trialling their employees in a new role or assessing their performance in completing the extra responsibilities before offering them a pay rise or a bonus, suggesting employers are looking to promote from within. Just 21% of employers have kept the status quo by not allocating extra responsibilities to their staff in the past year.

When asked about the other reasons why they did not compensate their staff financially for the extra responsibilities, 44% cited that the increased responsibilities would be temporary while a third (34%) of employers stated they lacked the budget to be able to provide financial incentives this financial year. Another 31% reported the extra work was not part of an official promotion.

"While it is common for extra responsibilities to go hand in hand with extra pay or benefits, it is also not uncommon for employers to instate a probationary period during which they assess an employee's suitability for a role before confirming a permanent salary increase for new responsibilities. This is especially true at a time when there's a magnifying glass on cost management within businesses," said **Nicole Gorton, Director at Robert Half**.

"Looking at the opportunity and the big picture is key for employees. Aside from viewing the extra duties as a sign that their employer recognises the value an employee brings to the organisation, candidates can view temporary extra responsibilities as a way to gain experience in their field and increase their skills, both of which add to their career development and market value."

"In saying this, if employers are not in a position to increase compensation for staff who take on extra responsibilities, they need to be transparent as to why a pay rise isn't on the table and when pay will be reviewed. Hinged on clear communication, transparency will create clarity and understanding, so employees know where they stand."

"If a tenured, talented staff member resigns because they feel they are not being sufficiently compensated; it will likely cost more to the business long term than if they had rewarded the employee accordingly for the increased work they were doing. Managers need to be aware of any changes in responsibilities and or increased staff workload, and ensure they are paid a fair salary, in line or above market rates," concluded **Gorton**.

Have you taken on more responsibilities in your role but were not financially rewarded for it?

Here are Robert Half's tips on when and how to broach the topic of salary adjustments with your employer:



#1 Understand the context/find out why

If your employer has given you extra responsibilities outside your role responsibilities, but they have denied a pay increase, find out why. It could be a matter of them trialling you for a promotion, or it could be that the salary budget does not allow for a pay increase in the immediate future. Understanding the reasoning for this decision can help you formulate an action plan. Ensure the action plan has been agreed to in writing.

#2 Consider the bigger picture

Before thinking the extra responsibilities without extra pay aren't worth it, think about how this could help your career progression and skills development. Are you learning new and transferrable skills that can be used in the future? Are you learning leadership skills and how to empathetically manage a team? Understand how these extra responsibilities could be helping you long term and see if this is something you would like to build on.

#3 Get a timeline and clarification on objectives/goals

Speak to your manager about when a pay review can be booked in. Having an agreed timeline on when the conversation can happen again will give you peace of mind knowing your employer has not forgotten about your request. At the same time, identify what goals and KPIs will increase your chances of securing a pay increase.

#4 Negotiate for other benefits

Salary negotiations often include employee perks and benefits. If a pay increase is not a possibility at the moment, asking for extra leave days, flexible hours or a work-from-home schedule can be a way to get compensation for your extra contributions.

#5 Know your worth

Enter a salary negotiation as informed as possible. To get a current, realistic view of the compensation landscape for the role, consult the <u>Robert Half Salary Guide</u>. The Salary Guide lists the current market rates for positions in finance, accounting, technology, HR, marketing, and business support.

#6 Decide when it is time to move on

If you are unable to secure compensation for your extra responsibilities or get any clarification when your salary could be reviewed, it might be time to think about whether or not you would like to stay with your employer or look for another job opportunity.

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in November 2022 by an independent research company, surveying 300 hiring managers, including 100 CFOs and 100 CIOs, from companies across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert



Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth, and Sydney. More information on <u>roberthalf.com.au.</u>

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