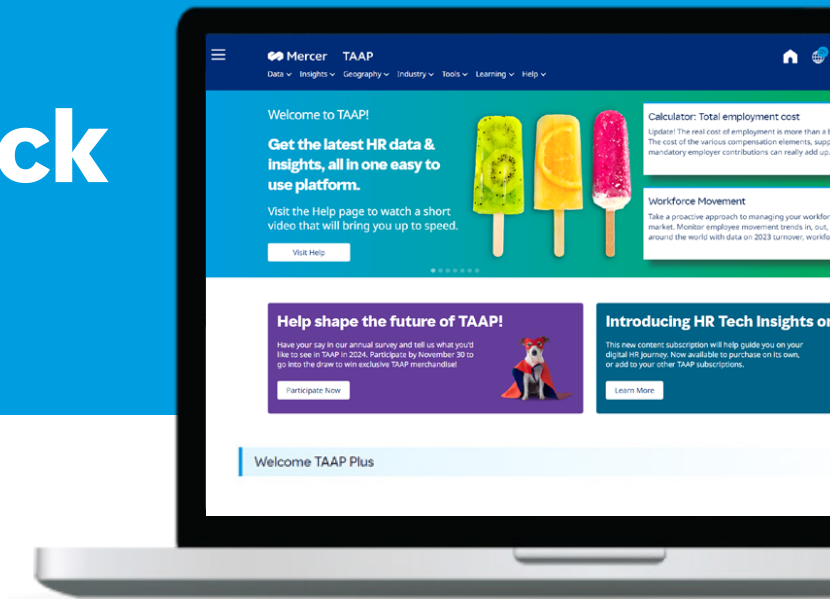


Sample

Global Compensation Drivers

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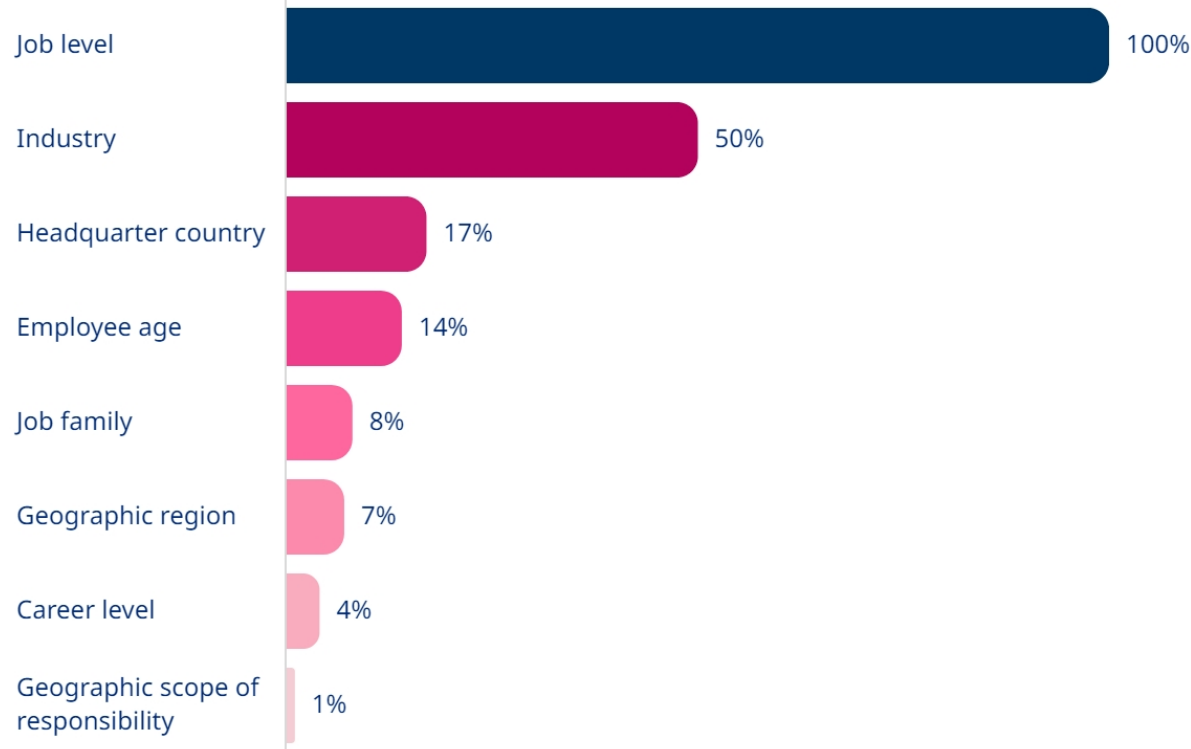
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Key drivers of pay

Key factors that drive pay

The following graph presents the most important factors that drive compensation (base pay plus additional guaranteed pay); the most influential factor is the top bar, weighted at 100 percent, and is the baseline which all other factors are measured against.

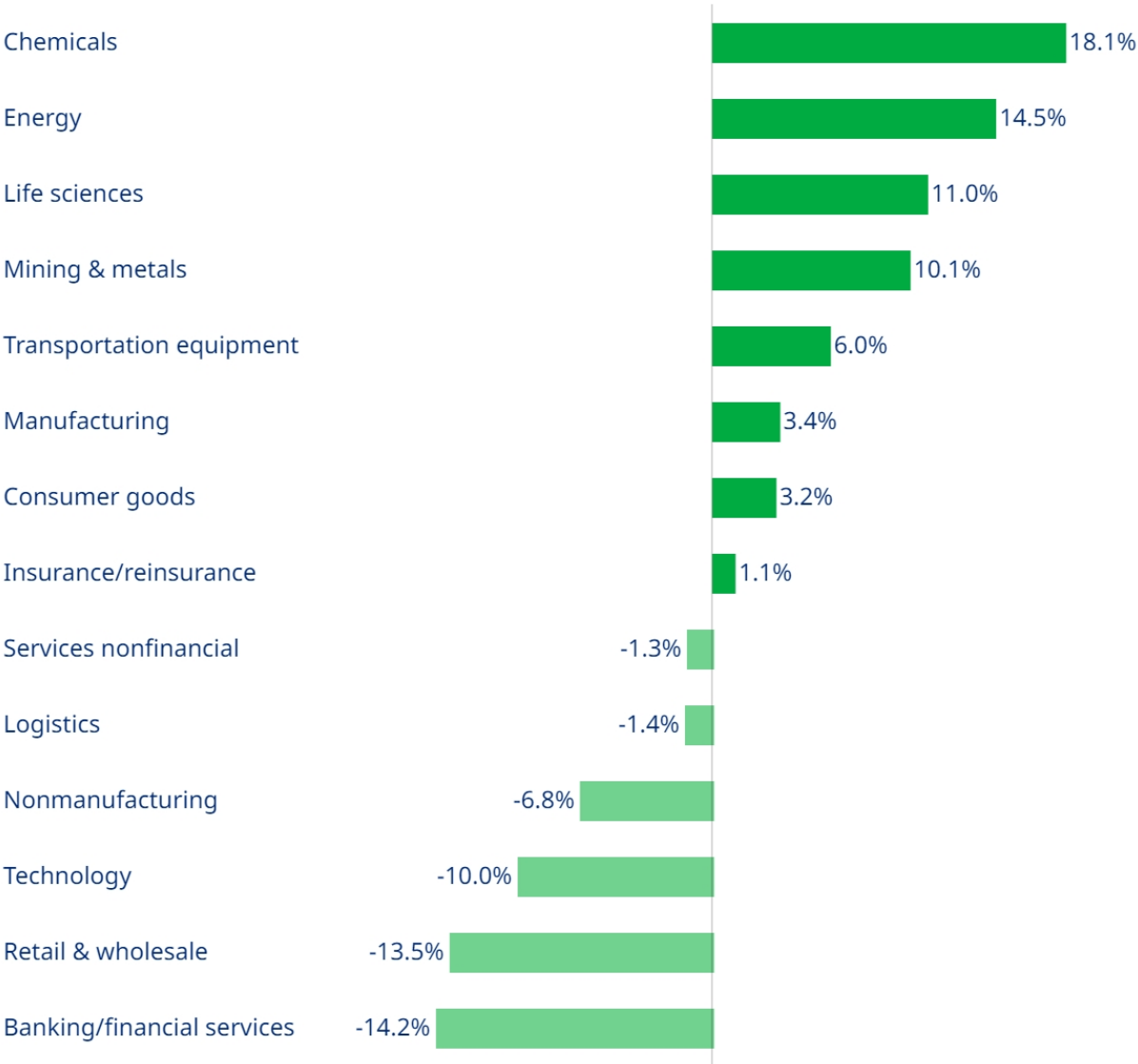


Market pay differentials

Positive and negative pay differentials for key drivers

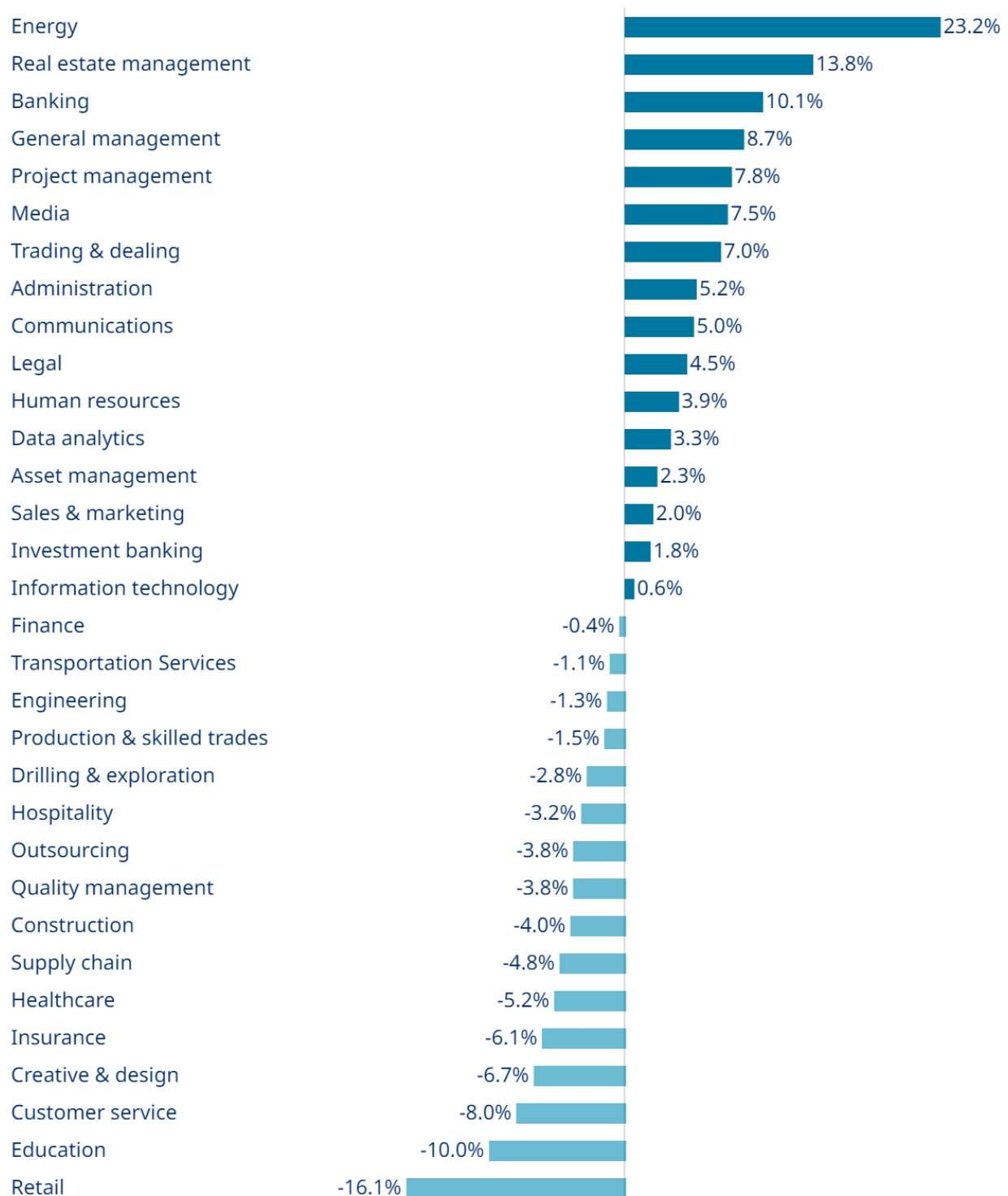
Industry

The following graph presents relative compensation differentials between industries, comparing each industry to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the industry pays above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



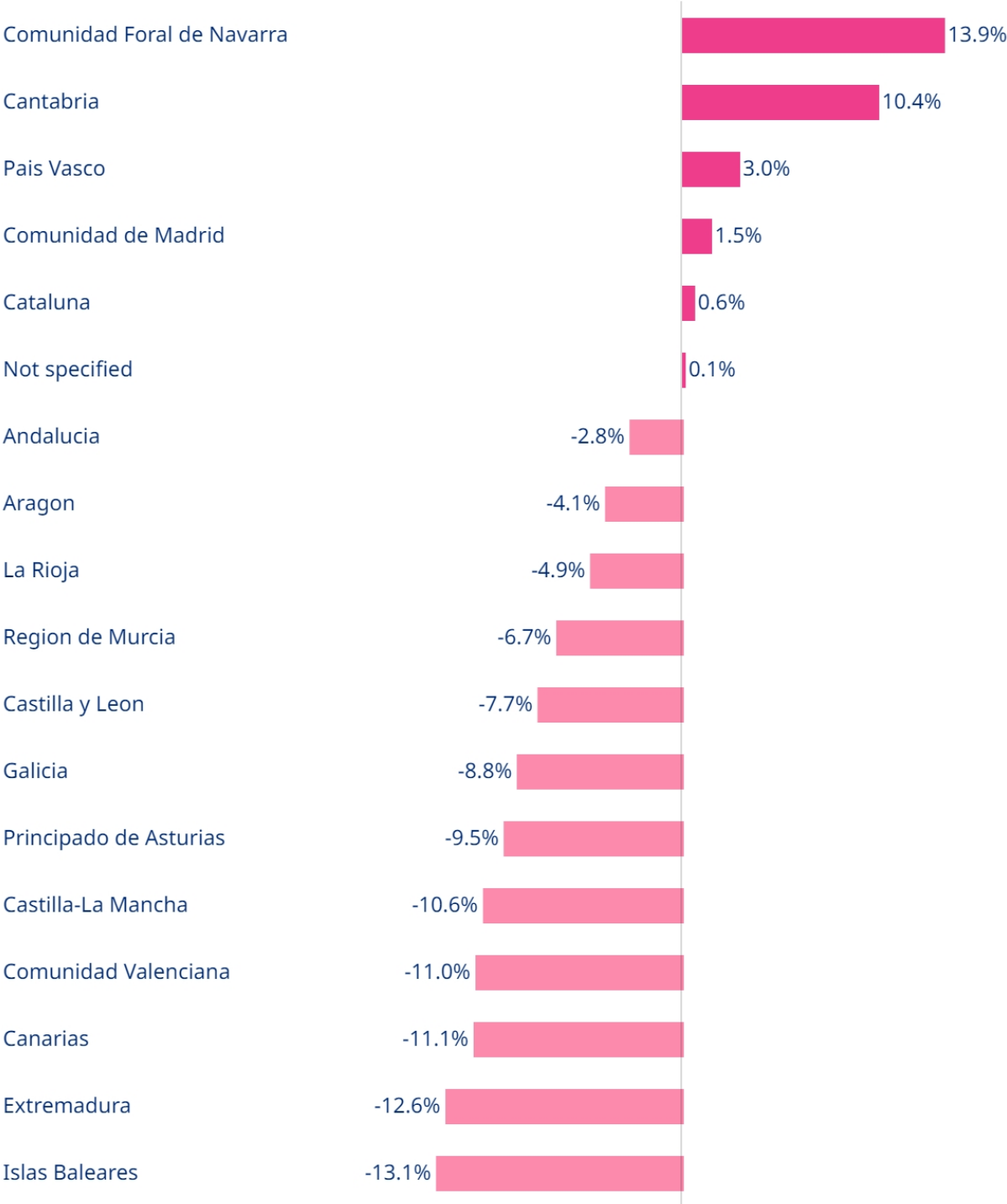
Job family

The following graph presents relative compensation differentials between job families comparing each job family to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the job family is compensated above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



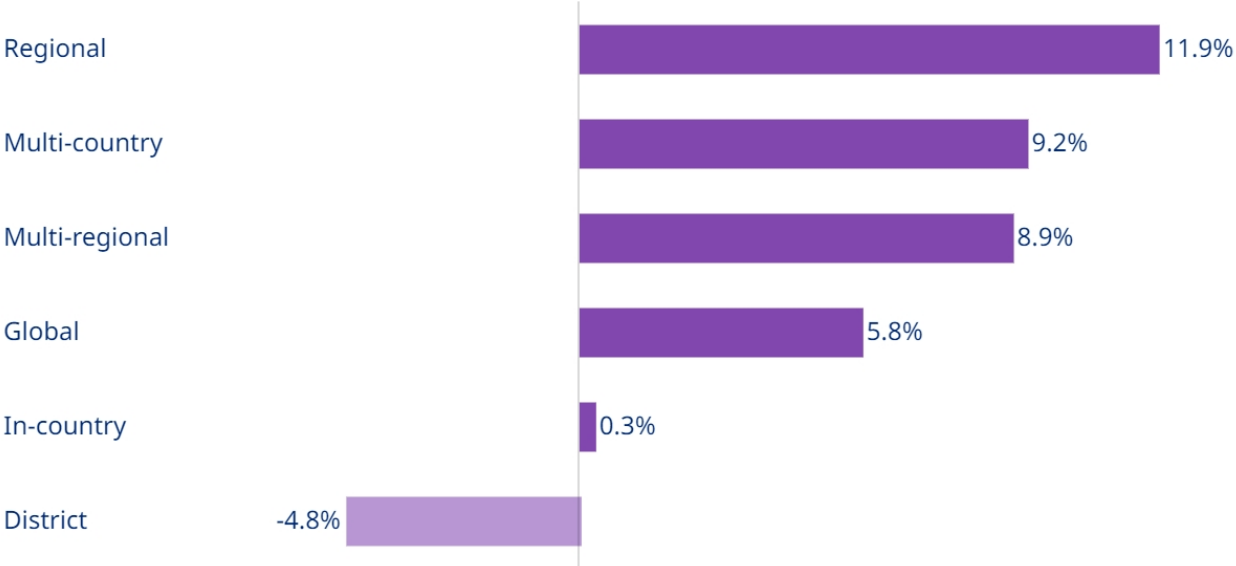
Geographic region

The following graph presents relative compensation differentials between regions, comparing each region to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the region is compensated above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



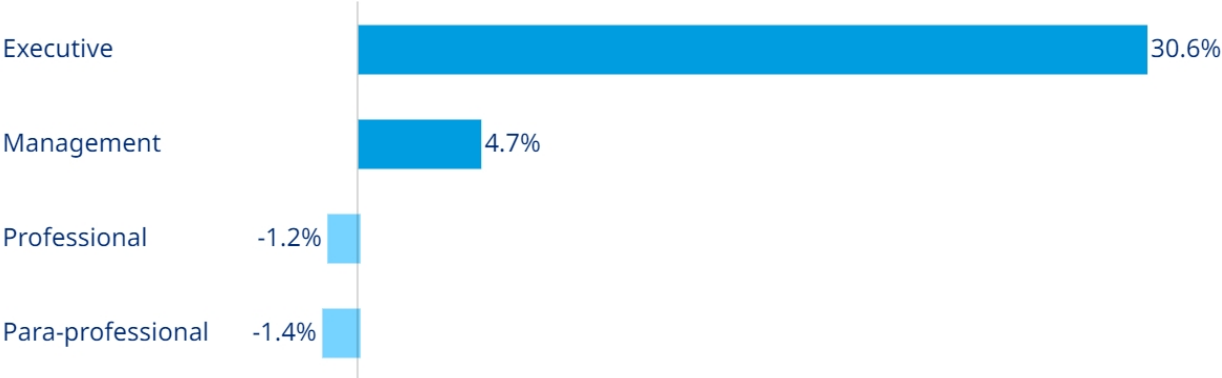
Geographic scope of responsibility

The following graph presents relative compensation differentials based on the geographical scope of responsibility of an employee, comparing each geographic scope to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the geographical scope is compensated above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



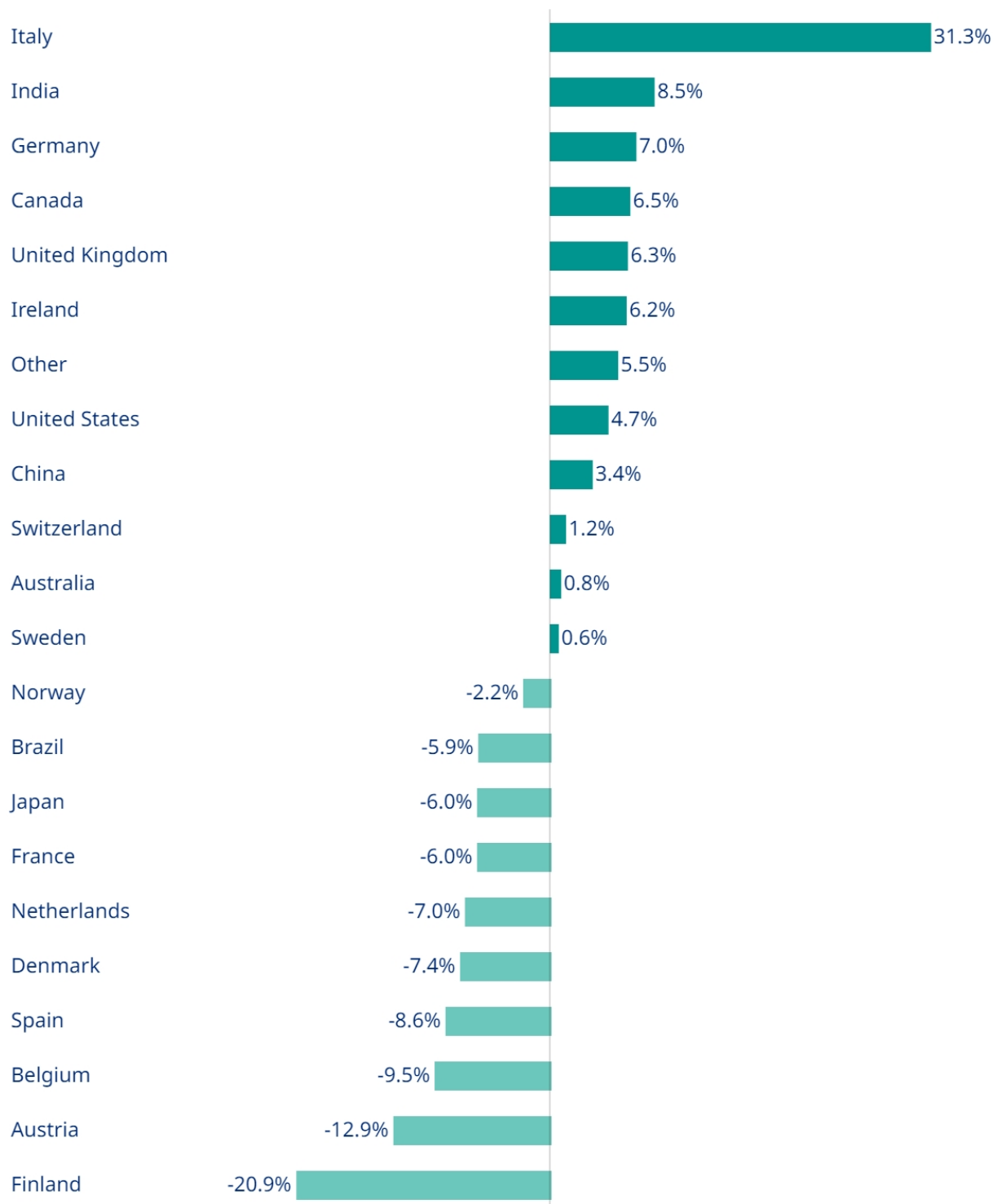
Career level

The following graph presents relative compensation differentials between career levels, comparing each level to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the career level is compensated above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



Headquarter country location

The following graph presents relative compensation differentials based on the country location of the company's headquarters, comparing each headquarter location to the overall average pay in this country (market average). The market average is represented as the "zero" axis line. Each of the bars in the graph indicates whether the headquarter location pays above or below the market average, assuming all other factors are equal. When evaluating pay, ensure you are noting the differential between each of the bars rather than the percentage vs. market average.



Sources

Source	Number of organizations	Number of incumbents
2023 Mercer's Total Remuneration Survey	450	210,60

Note: The following driver is not collected in this market.

- Nationality

Methodology

This section provides information on the methods of collecting, collating and analyzing data for this product. You will also find notes on exceptions and exclusions in the data, information on data sources and relevant equations along with a glossary of key terms.

Data collection

Analysis presents importance of various factors and their influence on incumbent (employee) compensation. Our analysis was conducted based on Mercer's 2023 Total Remuneration Survey (TRS) which collected data for more than 2,000 incumbents, to assure statistical validity of results.

Main factors included in analysis are the following:

- Career level
- Employee age (can be interpreted as a proxy factor for employee work experience)
- Geographic region
- Geographic scope of responsibility
- Headquarter country location
- Industry
- Job family
- Job level (TRS Position Class)
- Nationality

Mercer performed multivariate regression on data from Mercer's individual TRS reports for inclusion in this online tool. Additional details on TRS can be found in the Glossary.

Data analysis

Multivariate regression and analysis of variance (ANOVA) was conducted to ascertain relative strength of factors that influence pay in each country/market. Analysis was conducted on annual guaranteed cash data, which is defined as base pay plus guaranteed pay, such as allowances.

Interpreting data on the "Key drivers of pay" tab

The graph within the Key drivers of pay tab presents relative importance of different key factors in relationship to the most influential factor, which is weighted at 100 percent, and is the baseline which all other factors are measured against. Based on the values displayed at the end of each bar, the top bar (dark blue) is the factor that has the most impact on pay (Comp 2) followed by the next bar, and so on.

Interpreting data on the "Market pay differentials" tab

These graphs illustrate the key demographics that positively or negatively influence compensation by displaying differentials (amount of positive or negative change or variance) from the average compensation for the selected country/market (market average), while holding the other demographic variables in the model constant and in isolation.

This allows for an "apples-to-apples" comparison and removes confounding effects caused by correlations between some factors. For example, in the case of a large industry located mostly in a specific region of a country, this approach is able to, by some limited extent, separate industry differentials from country region differentials.

Differentials were calculated in relationship to overall market average, which was estimated using incumbent-weighted data. Compensation is defined as base pay plus guaranteed pay.

Methodology

Data masking

To ensure the confidentiality of all companies that provide data to Mercer's surveys, statistics have been "masked." A minimum of five data points are required to report the results. Some groupings in countries/markets with low participation (not meeting masking requirements) were recoded as "other."

- N or sample size: The number of organizations and/or incumbents included in the data for the statistic.
- "Not specified" indicates observations with missing data for a factor, for example, if the age of the incumbent was not available.
- "Other": This is a grouping of defined geographies which did not individually meet minimum sample size criteria.
- "Other regions": Includes data for any cities, regions, or other geographies within the market that do not fall into the specified groupings.

Data exceptions and notes

Some markets have specific nuances as outlined below.

- Not all key factors are collected in every market.
- "Nationality" key factor data is only available in select Middle Eastern and African markets.

