

2025 PRIORITIES

FOR TOTAL REWARDS LEADERS

WorldatWork surveyed nearly 250 Total Rewards Leaders on the priorities they deem most impactful for driving positive organizational outcomes. We explored differences in these priorities based on growth trajectory, size (FTEs), and financial performance. They also shared their top goals for 2025 and key changes they would like to make to their Total Rewards strategies.

FIRST

First, using maxdiff methods, leaders told us which Total Rewards factors would have the highest impact in their organizations in 2025.

TOP IMPACT

- 1 Market competitiveness** of Total Rewards offerings
- 2 Alignment** of Total Rewards programs with organizational goals
- 3 Leadership support** for Total Rewards initiatives
- 4 Data-driven decision-making** in rewards programs
- 5 Employee understanding** of the employee value proposition of Total Rewards
- 6 Leaders' ability** to convey and reinforce Total Rewards initiatives
- 7 Comprehensive and integrated** Total Rewards strategy
- 8 Communication** campaigns for Total Rewards
- 9 Employee feedback** on and input into rewards programs
- 10** Integration of **technology** in Total Rewards management
- 11** Focus on **equity, inclusion & transparency** in Total Rewards offerings
- 12 Flexibility & customization** of rewards packages

TOTAL REWARDS FACTORS PREDICTED TO HAVE THE MOST IMPACT IN 2025: by growth trajectory

Balanced Transformation

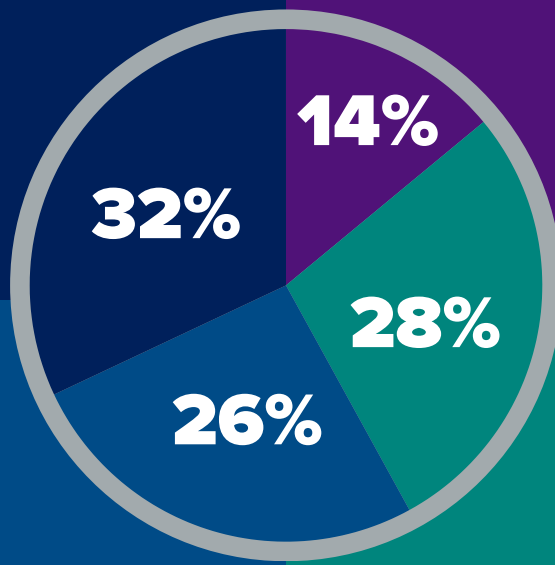
We plan to adopt a strategy that balances growth and innovation with a careful evaluation of risk and resource allocation to ensure long-term sustainability.

- 1** Leadership support
- 2** Alignment w/ org goals
- 3** Market competitiveness

Aggressive Growth

Our organization aims for significant expansion in 2025, focusing on aggressive growth targets and stretching our capabilities to capture new market opportunities.

- 1** Leadership support
- 2** Market competitiveness
- 3** Data-driven decision-making



- 1** Market competitiveness
- 2** Alignment w/ org goals
- 2** Leaders' ability

- 1** Market competitiveness
- 2** Alignment w/ org goals
- 3** Employee understanding

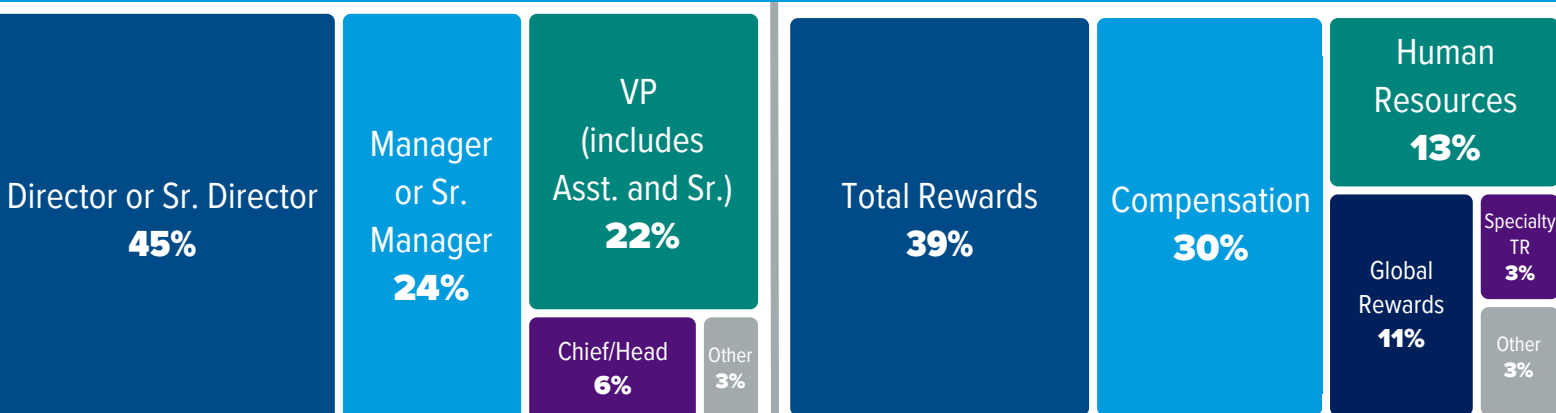
Steady-state Optimization

Our focus will be on stabilizing our operations, improving efficiency, and maximizing existing resources without significant changes to our growth trajectory.

Accelerated Innovation

We plan to prioritize speed and innovation, rapidly adapting our products and services to meet evolving customer needs and enhance our competitive edge.

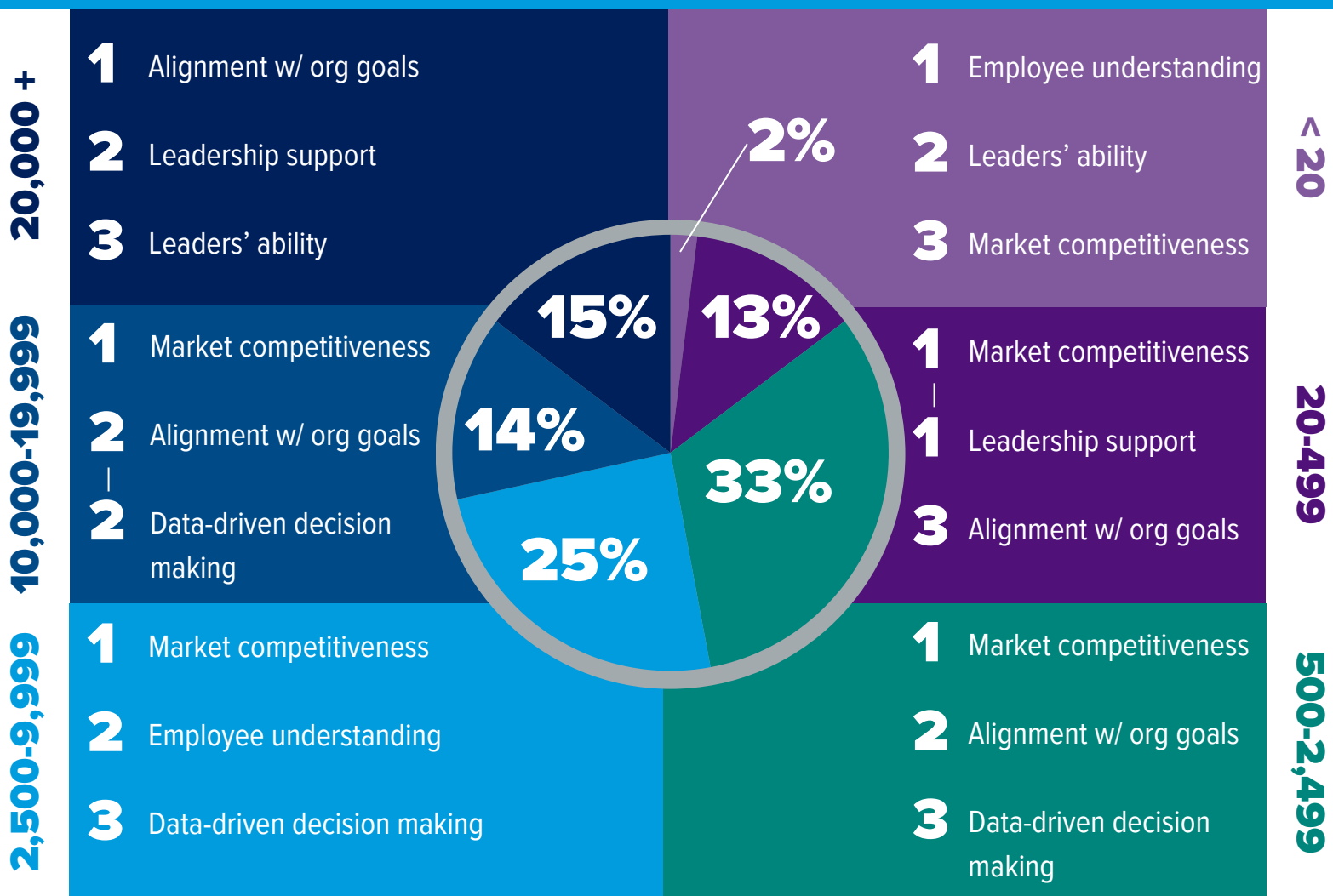
PARTICIPANT PROFILE



TOTAL REWARDS FACTORS PREDICTED TO HAVE THE MOST IMPACT IN 2025: by financial performance



TOTAL REWARDS FACTORS PREDICTED TO HAVE THE MOST IMPACT IN 2025: by organization size (FTEs)



NEXT

Next, leaders told us in their own words about their organizations' top goals for Total Rewards for 2025. Each leader provided up to three goals. Goals were grouped into categories shown below.

TOP GOALS FOR 2025

- 36%** Optimize or add **benefits**
- 28%** Advance **Total Rewards practices**
- 23%** Improve **efficiency & processes** including adding new tech
- 20%** Enhance **pay transparency**
- 19%** Strengthen **job architecture & salary structures**
- 19%** Refine Total Rewards **strategies and their alignment** with business
- 17%** Expand and optimize **communication & education**
- 15%** Update, align, and improve **variable & incentive pay**
- 14%** Extend and enhance **pay equity** efforts
- 12%** Strengthen and expand **career development** programs
- 9%** Introduce or improve **wellness & well-being** initiatives
- 8%** Design Total Rewards to boost **talent acquisition & retention**
- 7%** Enhance **employee experience & the EVP**
- 6%** Unify and **align rewards globally**
- 5%** Adjust and harmonize Total Rewards after **restructuring & acquisitions**
- 4%** Launch or enhance **recognition programs**

EXPLORING TOTAL REWARDS LEADERS' TOP GOALS FOR 2025

BENEFITS

36% prioritized innovative and enhanced benefits, including wellness programs, financial health offerings, and flexible work to create competitive Total Rewards packages for their organizations.



TR PRACTICES

28% focused on Total Rewards practices including building foundations, job evaluation, skills-based hiring, succession planning, and competitive compensation practices to drive engagement & retention globally.



EFFICIENCY & PROCESS

23% emphasized automating processes, modernizing comp systems, implementing HR tech, and enhancing analytics to boost efficiency, accuracy, and employee experience.



PAY TRANSPARENCY

20% prioritized expanding pay transparency while improving education, compliance, and equity globally, with a focus on EU regulations and internal processes to ensure fairness.



JOB ARCHITECTURE & SALARY STRUCTURES

19% aimed to redesign, formalize, and implement new job architectures and pay structures globally, prioritizing competitiveness, equity, and business transformation.



STRATEGIES AND THEIR ALIGNMENT

19% emphasized aligning Total Rewards strategies with business objectives, ensuring competitiveness, market alignment, and supporting sustainability goals, while also driving growth and innovation.



COMMUNICATION & EDUCATION

17% emphasized improved education for managers and employees, and better, more transparent communication to enhance value, employee engagement, and utilization of Total Rewards programs.



VARIABLE & INCENTIVE PAY

15% focused on refining and updating short-term and long-term incentive programs, aligning with business goals, and increasing flexibility to drive performance and employee differentiation.



LAST

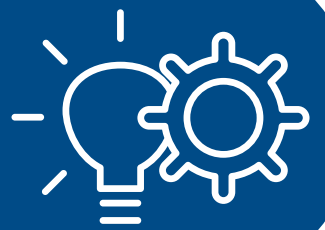
Finally, leaders were asked “If you could change one thing about your organization’s approach to Total Rewards, what would it be?”

CHANGE ONE THING

26% want to improve communication and education on total rewards, focusing on the employee value proposition by expanding pay transparency and driving understanding of their comprehensive benefits packages. They believe that transparency, more training for HR and managers and technology for tailored communications would ensure that employees understand the value of their total rewards.



24% want to streamline and formalize processes and establish consistency in operations and decision-making to ensure that their Total Rewards teams can be more proactive than reactive. They believe that data-driven decision-making is important, and many wish for more support and funding for Total Rewards technology.



20% want to better integrate Total Rewards strategy with business goals and better align rewards with performance as part of a comprehensive philosophy. They wish for more strategic approaches and a focus on long-term outcomes, rather than short-term cost-cutting measures.



11% want to enhance market competitiveness by advancing the personalization and flexibility of Total Rewards programs and tailoring Total Rewards components to their workforces’ needs. They wish to strengthen the connection between business goals and rewards programs, shaping packages that are perceived as tailored, competitive, and motivational.



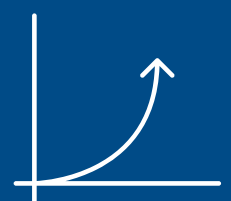
9% want their leaders to better understand, buy into, and advocate for Total Rewards programs. They believe that executive advocacy and financial support of Total Rewards programs will drive more meaningful and nuanced Total Rewards strategy and effective program execution.



7% want tools and strategic support that enables them to drive more customization, flexibility and personalization in TR. They advocate for controlled flexibility and customization throughout an employee's tenure to drive effectiveness of Total Rewards programs.



7% want increased funding for Total Rewards, reduced budget constraints, and greater support from Finance leadership to enhance Total Rewards offerings. They want their organizations to invest in technology, staffing, and rewards to drive business growth.



4% want to replace decision-making driven by organizational traditions with a data-driven focus on market data and changing workforce trends to better inform development and improvement of Total Rewards programs.

