

2024

Compensation Best Practices Report Industry Cut

Education

In 2024, the Education industry faces tension around the climbing costs of tuition as well as precarious economic conditions, which can impact pay for employees. Organizations in the Education industry are more likely to say that insufficient pay increases are a leading reason they are losing talent. While Education organizations typically have formal pay structures and pay transparency, they're less likely to use purpose-built compensation technology or have a compensation strategy. Organizations in this sector also demonstrate an interest in AI-powered compensation technology, which could help increase efficiency in their pay practices.

Education leads in:

- ☒ Having a dedicated compensation function and formal pay structures
- ☒ Openness to using AI to make pay decisions
- ☒ Compliance with pay transparency laws
- ☒ Offering pensions as a differentiating benefit

Education lags in:

- ☐ Having a compensation strategy
- ☐ Giving sufficient pay increases
- ☐ Offering variable pay for performance
- ☐ Having confidence in total rewards

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can help you get compensation right

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Quick stats:

Education industry

Compared
to overall

Preparedness

- **75%** have a dedicated compensation person or team. **+15%**
- **48%** have a compensation strategy/philosophy. **-5%**
- **72%** have formal pay structures. **+9%**

Pay increases

- **5.0%** was the average planned pay increase for 2024. **+0.5%**
- **47%** say that insufficient pay increases are a leading reason for them losing talent. **+17%**

Salary data

- **45%** use HR-reported aggregated data like Payscale's HRMA. **+0%**
- **21%** use a closed data network like Payscale's Peer. **-4%**

Technology

- **27%** use purpose-built compensation technology like Payscale. **+2%**
- **19%** will be evaluating their compensation software this year (23% currently use homegrown tech). **+5%**
- **50%** are either cautiously optimistic or totally on board with using AI to make pay decisions. **+12%**

Communications

- **49%** post pay in job ads regardless of whether it is required by law. **+10%**
- **50%** provide always-accessible info about the "why" behind pay. **+6%**

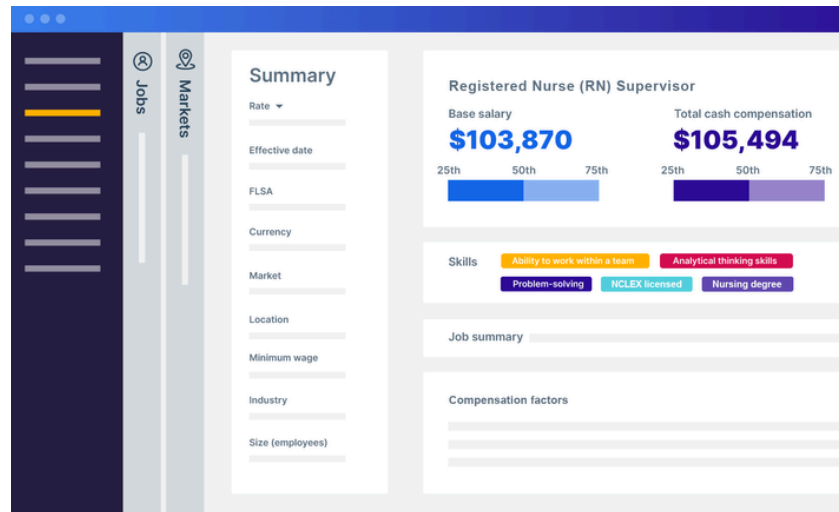
Variable pay and benefits

- **47%** offer variable pay. **-33%**
- **25%** offer a pension as a differentiating benefit. **+13%**
- **44%** are very confident or fairly confident in their total rewards. **-12%**

Methodology: For Payscale's 2024 Compensation Best Practices Report (CBPR), survey respondents self-selected into one of sixteen industry choices — including Education, which comprised 5 percent of total overall responses. See the CBPR for more on the methodology. [Download now.](#)

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With Payscale, you get access to:

- ✓ Diverse and industry-relevant data sources to help you market price your jobs
- ✓ Robust analysis and reporting tools to support budget planning and fair pay practices
- ✓ AI-powered technology to streamline workflows

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About Payscale

As the industry leader in compensation management, Payscale is on a mission to help job seekers, employees, and businesses get pay right and to make sustainable fair pay a reality. Empowering more than 50% of the Fortune 500 in 56 countries, Payscale provides a combination of diverse and dynamic data sources, experienced compensation services, and scalable software to enable organizations such as Angel City Football Club, Panasonic, Mars Global, eBay, American Airlines, and PetSmart to make fair and appropriate pay decisions.

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