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2024 | **Compensation Best Practices Report Industry Cut**

Healthcare & Social Assistance

In 2024, the Healthcare & Social Assistance industry continues to face labor shortages despite the labor market having cooled in other sectors. While sufficiently resourced for compensation management, Healthcare organizations plan to give lower pay increases to employees in 2024 than orgs in other industries. Healthcare also lags in addressing pay inequities and pay transparency. To improve talent attraction and retention, these organizations need to keep up with market forces driving labor challenges and make calculated investments in compensation strategy and technology that can assist with market pricing and fair pay analysis.

Healthcare leads in:

☑ Using a large number of salary data sources

☑ Having a centralized system for job description management

☑ Offering differentiated benefits

Healthcare lags in:

☒ Pay equity and addressing unfair pay

☒ Openness to using AI to make pay decisions

☒ Pay transparency

☒ Offering variable pay for performance

Healthcare & Social Assistance industry

Compared to overall

Preparedness

- **64%** have a dedicated compensation person or team.   **+5%**

Pay increases

- **4.1%** was the average planned pay increase for 2024.   **-0.4%**
- **57%** say pay equity analysis is a current or planned initiative.   **-5%**
- **60%** proactively address severely underpaid employees.   **-4%**

Salary data

- **32%** use five to 20+ salary data sources for market pricing, in alignment with top performers.   **+10%**
- **48%** use HR-reported aggregated data like Payscale's HRMA.   **+3%**
- **25%** use a closed data network like Payscale's Peer.   **+0%**

Technology

- **26%** use purpose-built compensation technology like Payscale.   **+1%**
- **33%** are either cautiously optimistic or totally on board with using AI to make pay decisions.   **-5%**
- **65%** have a centralized system for job description management.   **+8%**

Communications

- **35%** post pay in job ads regardless of whether it is required by law.   **-4%**
- **48%** provide always-accessible information about the "why" behind pay.   **+4%**

Variable pay and benefits

- **72%** offer variable pay.   **-8%**
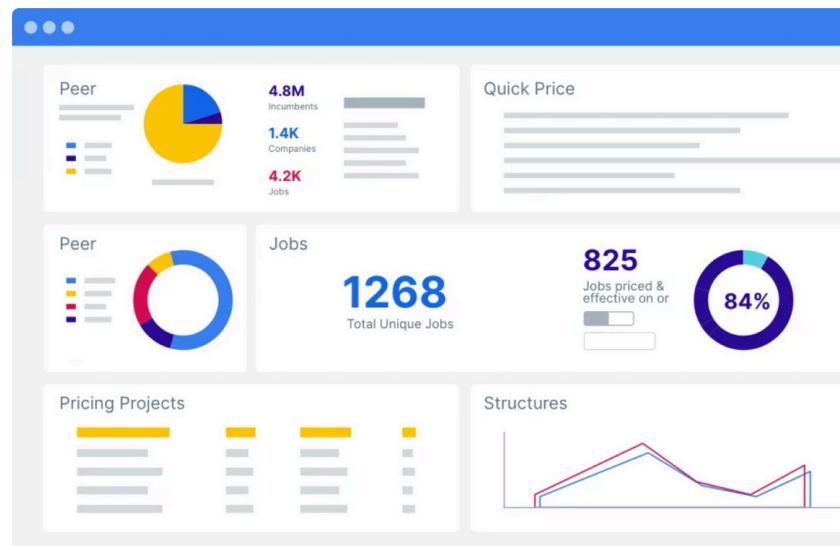- **18%** offer student loan repayment as a differentiating benefit.   **+10%**

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Build powerful pay practices with Payscale

Are you ready to uplevel your compensation management practices to attract and retain top talent and strengthen your employer brand? Over 50 percent of the Fortune 500 partner with Payscale to gain COMPfidence in their pay decisions.

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

Talk to a Payscale compensation expert today to learn how our compensation management solutions can help you drive positive business outcomes.

Get a demo →

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.

Pay is powerful. To learn more, visit **payscale.com.**