

# Hiring Plans and Retention Strategies: 2021 vs. 2020

Employee turnover has increased steadily this year. Many employees are seeking different jobs as remote work opens new opportunities, and some individuals are rethinking their career and life goals following the onset of the pandemic. With ambitious growth goals across the globe, companies are both hiring more aggressively and working hard to engage and retain talent. To take a closer look at these trends, we examined data from the second editions of the 2020 and 2021 Aon Salary Increase and Turnover Study.

## Aggressive Hiring Plans Across Countries

On a global basis, the percentage of companies hiring aggressively was **only 8% in 2020**. It's clear that hiring has picked up significantly, particularly in the United States and many parts of the world in 2021.

Year	Australia	Brazil	Canada	China	France	Germany	India	Mexico	United Kingdom	United States
2021	8%	5%	12%	9%	5%	7%	22%	7%	12%	31%



**82%** of organizations across the globe told us they use a formal **performance management** rating system, and 80% communicate that rating to the employee as part of a formal performance review.

## Trends in Pay and Promotion Strategies

In 2021, organizations granted **larger promotional pay increases**, **promoted a higher percentage** of employees, and **raised salaries** for new roles at the same job level. Taken together, these actions could be seen as tactics for employers to keep their workers engaged.

Year	Median promotional increase in pay*	Median percentage of employees promoted in past 12 months	Do employees receive a raise when changing jobs in their organization that are leveled similarly, and is that raise the same as it would be for a promotional increase?		
			Yes, similar	Yes, smaller	None
2021	9%	10%	36%	9%	56%
2020	8%	7%	10%	35%	55%

\*Note: As a percentage of employee's base salary.

Source: Aon Salary Increase and Turnover Study, second edition, 2020 and 2021. The 2021 report includes responses from 2,489 across 126 countries. The 2020 report includes responses from 2,801 organizations across 136 countries.

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