Pearl Meyer

MARKET INTELLIGENCE | SEP 2024

Looking Ahead to Executive Pay Practices/Design in 2025



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MANAGING DIRECTOR

Pearl Meyer's "Looking Ahead to Executive Pay Practices" is an annual, online survey and valuable compensation planning tool. This year, it has been separated into two separate surveys, with the first "Practices/Design" survey focused primarily on compensation philosophy and plan design. (The second "Pay Projections" survey is focused on 2024 year-end and 2025 pay projections and data will be available later in the fall.)

This year's plan design survey was conducted in August of 2024, with total participation from 211 companies, including 93 publicly traded, 88 private for-profit, and 30 not-for-profit (NFP) organizations. As with prior surveys, responses are broken out separately by respondent role (board member vs. employee), ownership type, industry, and company size.

The plan design survey addresses key topics associated with the current environment, including factors impacting peer group development, the expanding role for compensation committees with broader human capital oversight, actions taken to address incentive plan goal-setting challenges, and the potential impact of artificial intelligence (AI) on financial results and executive compensation plan designs. It also covers subjects such as compensation philosophy, recent or anticipated incentive plan design changes, and long-term incentive award prevalence and participation.

About the Author

Bill is a senior advisor on executive and director compensation, helping committees and leaders set pay strategy, benchmark competitiveness, design incentives, and navigate contracts, severance/CIC, and governance expectations.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management helping organizations build, develop, and reward great leadership teams that drive long-term

success. Our strategy-driven compensation and leadership consulting services act as powerful catalysts for value creation and competitive advantage by addressing the critical links between people and outcomes. Our clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private organizations to the Fortune 500.