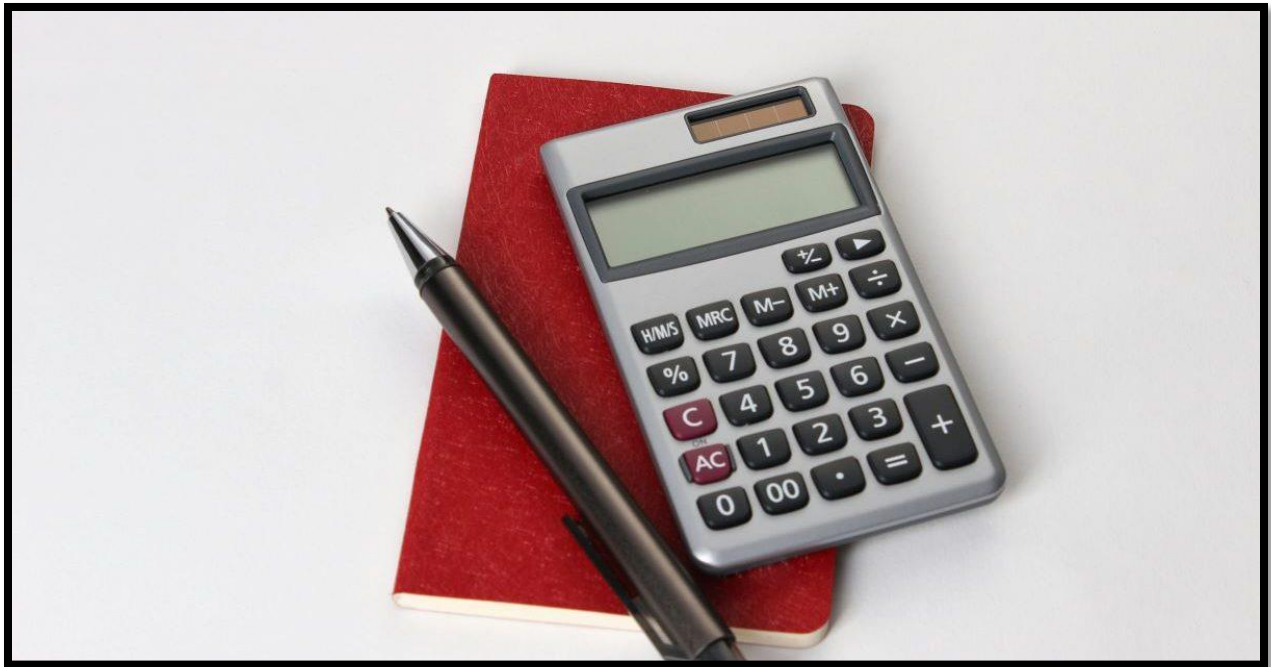


## Understanding the Factors That Influence Gross Compensation

According to intelligence reports, including those from PayScale, understanding the factors that influence gross compensation increases is crucial for both employers and employees. This knowledge helps elucidate the key drivers behind our Renard International 2024 salary reports.



These analyses highlight a clear distinction between how elite executives and key middle management workers are rewarded. While Performance remains the most common factor influencing salary increases, uppermost executives are more likely to be compensated for factors impacting their lifestyle, such as inflation and cost-of-living adjustments. Senior executives are also recognized for acquiring new skills and certifications, tenure with the company and relocation efforts.

With the shortage of elite talent, their compensation and benefits are often within their control and directly affect their well-being. Companies must communicate a clear message about which behaviors and skills are most rewarded. This transparency can inspire employees to continuously develop their skillsets at Cornell, Harvard or similar with degrees or diplomas paid for by the company retains loyalty and tenure. By understanding the factors which influence base compensation increases, companies can develop more targeted compensation strategies that attract, retain and motivate top talent. Employees, armed with this knowledge, can advocate for their worth and ensure they are compensated fairly for

their contributions. **With over 5 million unfilled roles for hospitality talent now online; in 2024, top talent can pick, choose and negotiate their future like never before.**

## **AI in Compensation and Hospitality Management**

Data that we have found reveals another key differentiator between peak performers and middle of the road performers: the use of AI in compensation management. Top key performers are significantly more likely to leverage AI for tasks like revenue management and reducing labor costs. They recognize AI's time-saving and analytical benefits to streamline processes.

The advantages of AI in hospitality extend beyond just revenue management. For example, one hotel in Japan operates entirely human free using only AI and robotics, transforming how hospitality organizations will approach hotel management in the future..

It is important to note that while AI adoption is evolving, human judgement remains crucial; however, by embracing AI to automate repetitive tasks, organizations can free up valuable employee time for more strategic initiatives. This allows HR professionals to focus on attracting and retaining the very best talent, crafting enticing compensation packages, and driving overall organizational value.

## **Industry Outlook: Key Growth Projections**

- The demand for key hospitality executives is expected to increase by 15% by 2025.
- Top-tier hospitality professions are projected to grow by 10% in the next five years.
- All Global hospitality career opportunities are expanding by 20% annually.