

Press release
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Most employees would accept salary alternatives to reward promotions

- The top three benefits Australian workers would accept when getting a promotion, aside from salary, are bonus or revenue sharing (59%), more flexibility with regards to working hours (59%) and more holidays (58%).
- The top three benefits Australian employers would offer when promoting employees, aside from salary, are training and professional development (57%), more flexibility with regards to working hours (56%) and paid sabbaticals (54%).

Sydney, 8 May 2024 – With half-yearly check-ins and performance review around the corner, promotions are top of mind for both employees and employers. However, with tight salary budgets, more than half of Australian workers would accept an alternative to a salary increase if they were to be promoted, new independent research by specialised recruiter [Robert Half](#) finds.

What employees will accept besides salary increase

Almost six in 10 (59%) workers would accept a promotion that includes a bonus or revenue sharing, in a sign that financial reward is still top of mind if a salary increase is not offered in the event of a promotion. In addition to financial rewards, work-life balance benefits remain highly sought after. Almost six in 10 (59%) would take the promotion if they are offered more flexibility with regard to working hours, followed by more holidays (58%), hybrid and/or expanded remote working (49%) and paid sabbaticals (48%).

Baby Boomers are the most likely generation to still prefer a financial reward while younger generations prioritise flexibility in hours and work environment.

What each generation would prefer in a promotion apart from a higher salary:

Generation	Preferred option
Gen Z	Flexible working hours (61%)
Millennial	Flexible working hours (63%)
Gen X	Hybrid work arrangements (49%)
Baby Boomer	Bonus or revenue share (62%)

Source: Independent survey commissioned by Robert Half among 1,000 Australian workers.

*“Promotions remain key to retain talent and they generally go hand in hand with increased pay. However, with tight compensation budgets, companies are forced to be more creative when promoting employees and employees are open to accepting alternative rewards,” says **Nicole Gorton, Director at Robert Half.***

“While financial reward still tops the list, at a time when more employers expect their employees to work in the office more often, flexibility is seen as a bargaining chip that may be just as highly valued by employees as financial rewards. Being able to work from home may also provide a financial benefit to workers by reducing costs such as commuting expenses.”

Further training and development a key consideration

While 56% of employers would be willing to offer a promotion that comes with extra flexibility with regards to the employee’s working hours, 57% would offer further training and development in lieu of a salary increase when offering a promotion.

However, this form of compensation is not as warmly accepted by all employees. Younger employees are more likely to accept a promotion that comes with further training and development, with 56% of both Gen Z and Millennial workers willing to take the advantage to build their skills in order to gain their next promotion. Less than half of Baby Boomers (49%) and Gen X (47%) employees would value further training and development as upskilling might not be as high of a priority at this stage in their careers.

“The concept of upskilling and reskilling has gained more prominence due to the rapid advancements in technological innovations and AI. Young professionals especially recognise the need to continuously learn and adapt to stay competitive in the market as they grow their career. With employers also benefitting from offering further training and development, it’s a win-win situation.”

“Financial reward is typically the expectation when promoting an employee. When an employer is unable or unwilling to offer a financial incentive, open communication becomes crucial to avoid the employee becoming disgruntled with the organisation, negating the intent of a promotion. By engaging in transparent discussions about alternative rewards, employers can demonstrate their commitment to employees’ long-term success and job satisfaction, reducing the risk of losing talented individuals over compensation concerns,” concluded **Gorton**.

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in November 2023 by an independent research company, surveying 500 hiring managers (including 100 CFOs and 100 CIOs) and 1,000 office workers from companies across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth and Sydney. More information on roberthalf.com.au.

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