

Real-time insights survey:

## Inflation is hitting Americans hard

### – how are employers responding?

With the Consumer Price Index (CPI) rising to 7.9 percent in the year through February, the US hit a new 40-year high for inflation. With Americans feeling the sting of increased gas, food and rental prices across the country, how are US employers responding?

Here are the top 3 findings from Mercer's March 2022 survey of over 300 US employers.

To see the complete survey results and question wording for the data shown, access the results here.

#### Labor shortages continue to be a strain on most US companies

**47%** 

shortages as a significant issue

of US organizations rank labor

of respondents cited dissatisfaction with pay/and or ability to get a higher salary at another company as a top 5 reason for turnover

**35%** 

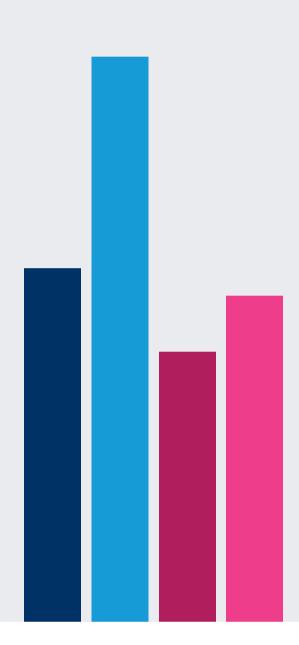
significant increase in turnover of 3+ percentage points among their hourly-paid frontline workforce

of US organizations cited a

of US employers cited burnout

Inflation vs

inflation in salary budgets



# **Cost of Living (COL)?**

However, 43% of respondents reported employees were requesting financial action to be taken to offset the rise

46% of US organizations do not factor

of inflation Less than 25% of organizations say they are revising salary budgets due to inflation, though 44% of organizations

say they will reassess the need for additional salary reviews **50%** of organizations say they

all or some employees in response to heightened inflation



#### for attraction and retention 50% of organizations 60% of organizations



higher than market rate in response to challenges attracting and retaining employees, with 42% implementing

say they are paying



say that they've seen an increase in the number of counteroffers received by candidates, of which 29% say they are typically beating or matching those counter-offers

retention bonuses