

Atlygio rinka Lietuvoje

Latest Salary Market Outlook 2023

Let's figure out what really matters!



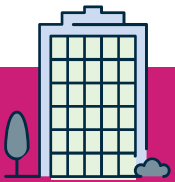
Figure Baltic Advisory
20.02.2023

WHO WE ARE

We are the main Total Remuneration partners in the Baltics, working with localized market research, specializing in sectors.

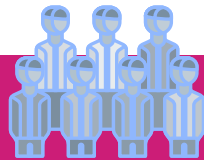
We also work with the leading remuneration consulting agency in the world – **Mercer**, conducting their studies and providing the global perspective.

This year, we have **officially merged Latvian, Estonian and Lithuanian survey processes** into a single Baltic-level solution - unified methodology, one system, same process – Figure Baltic Advisory.



1300

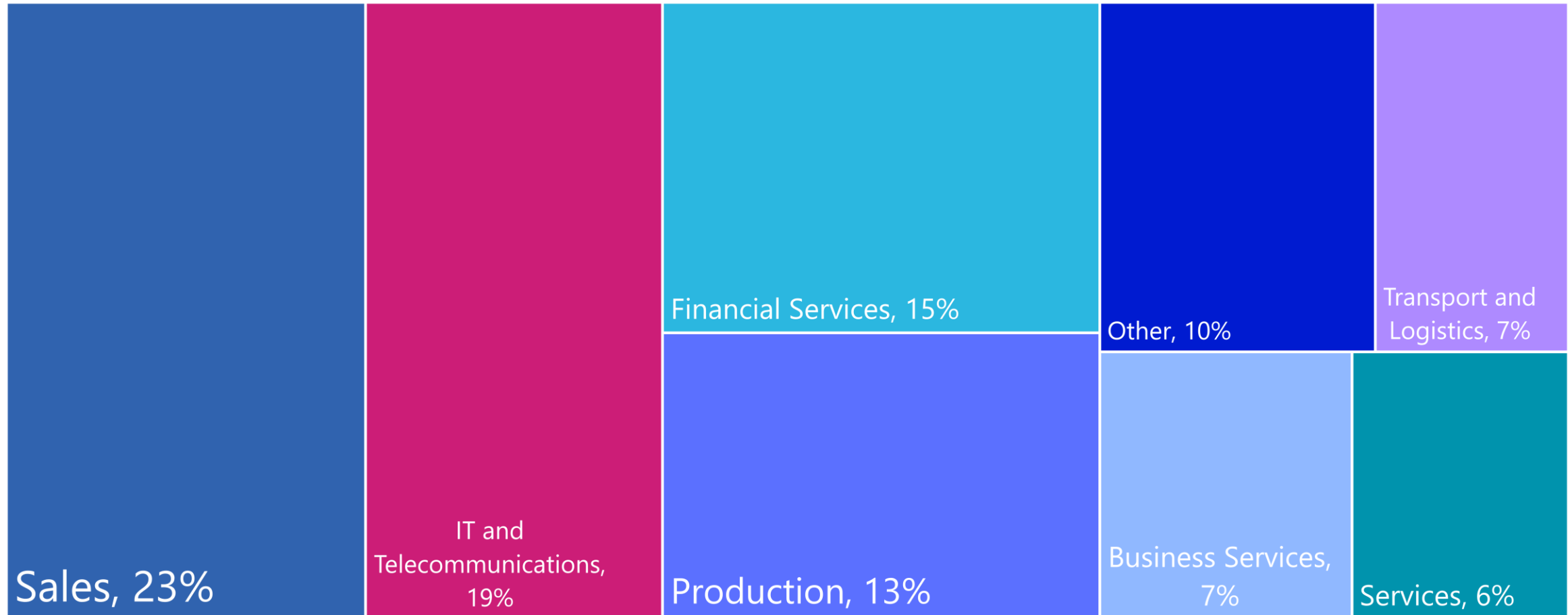
ORGANISATIONS



280 000

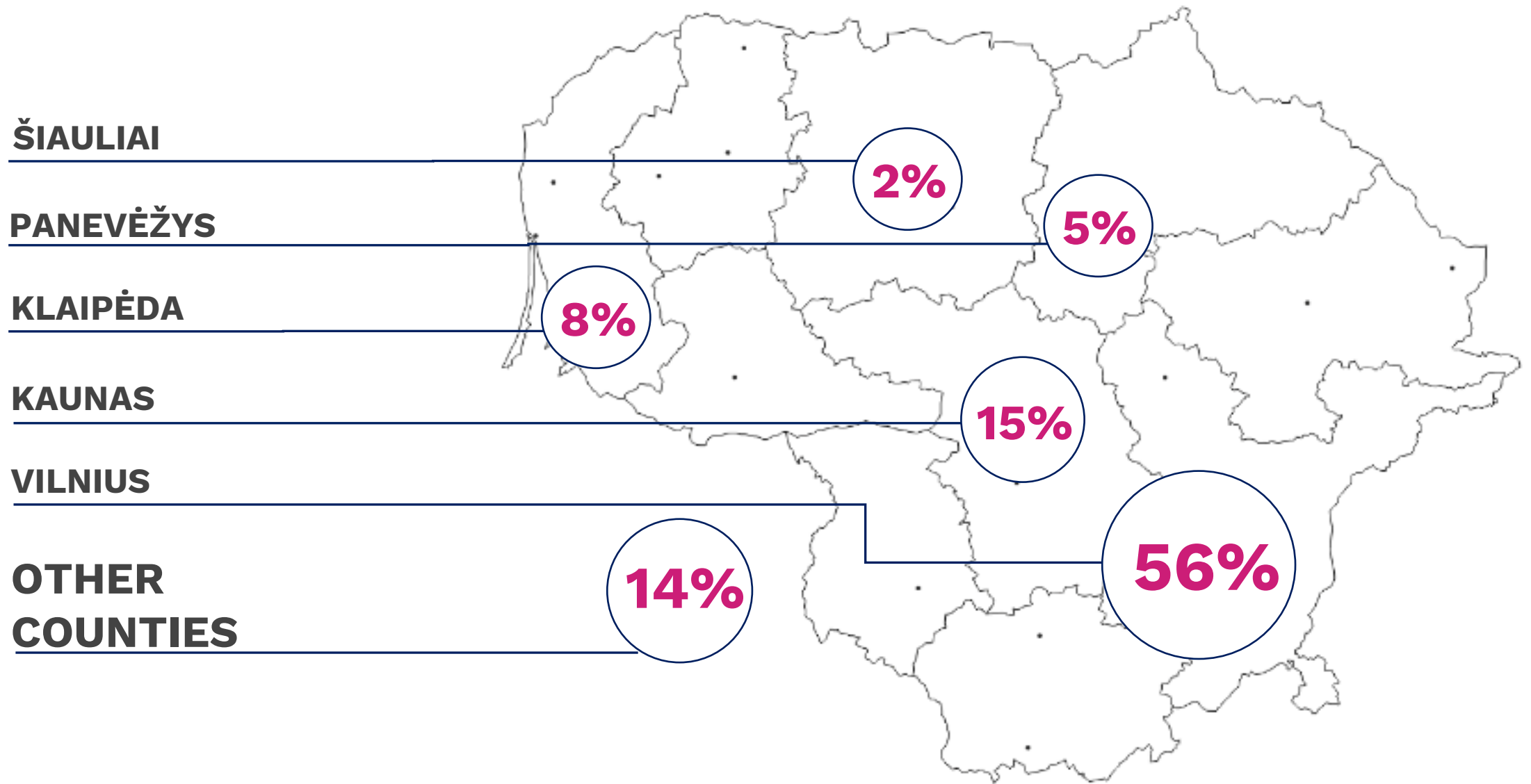
EMPLOYEES

Data collected from 424 organizations and 102 548 Employees



Other, smaller sector analysis includes Law Offices, Pharmacies, Passenger transportation, Hotels, Medical clinics and other

Distribution of employees

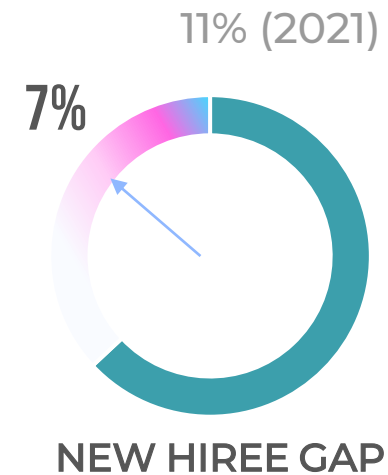


Talent Market 2022



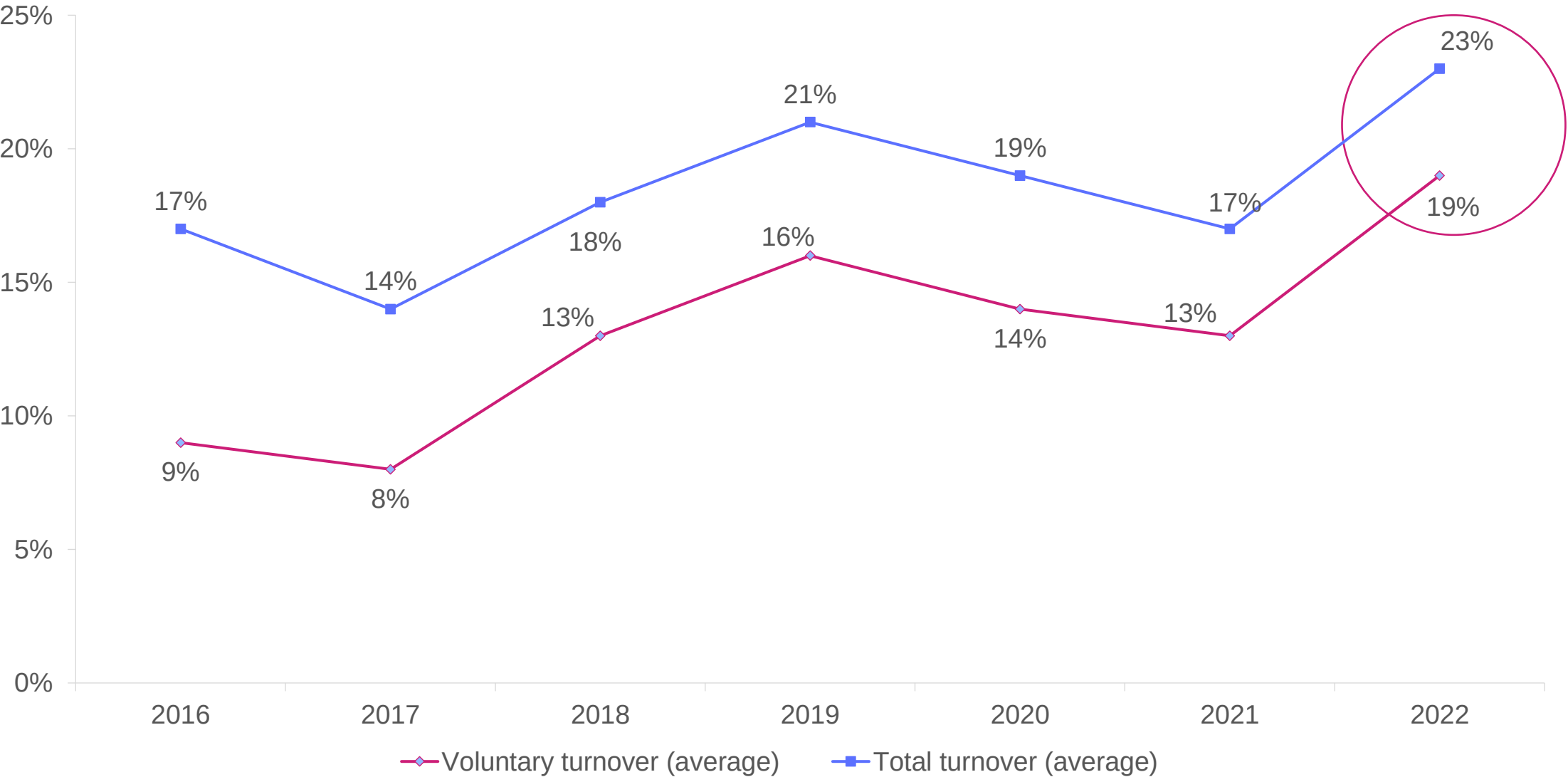
Main drivers:

- ▶ - Minimal wage increase (14%)
- ▶ - Inflation fears
- ▶ - Hiring difficulties
- ▼ - Stock market signals
- ▼ - Geo-pol/eco situation due to war



15-25%
15-35% (2021)
RECRUITMENT GAP

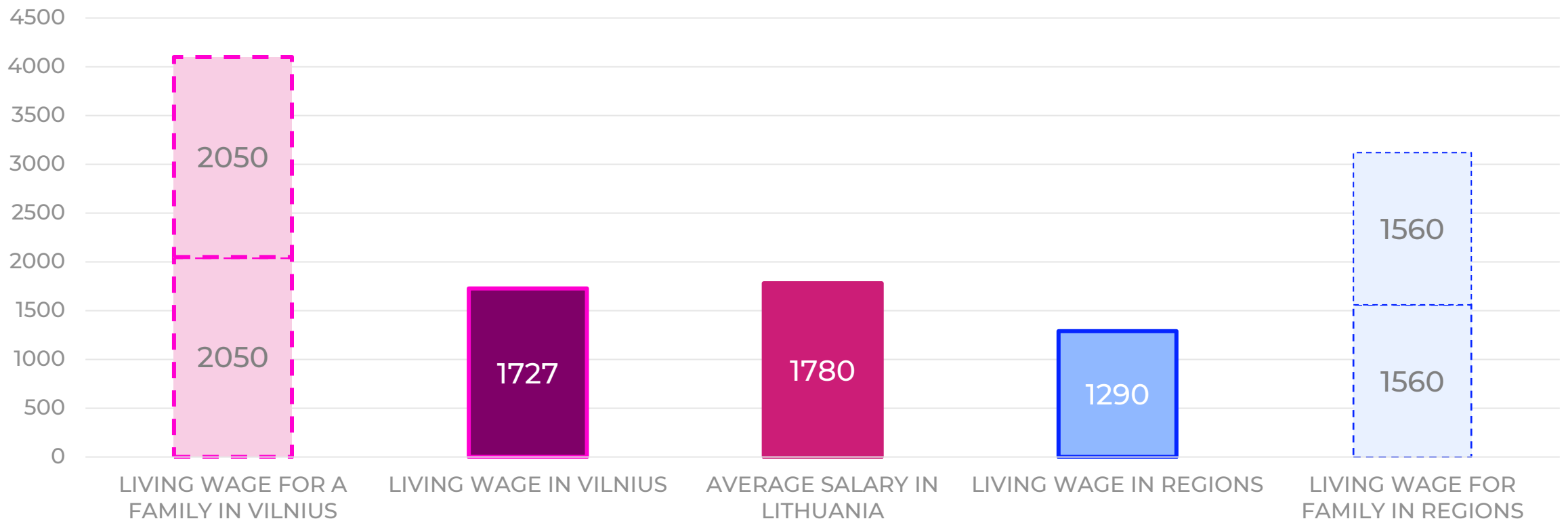
Employee Turnover – Lithuania 2022



Living wage in Lithuania 2022

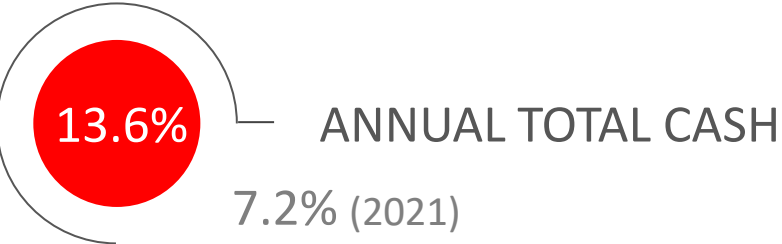
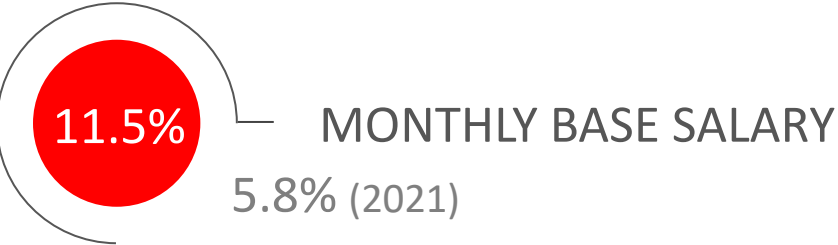


Up by nearly 18% from 2021



**Specified amounts are GROSS*

AVERAGE Compensation Change
IN THE SAME POSITIONS



Compensation Change in Baltic States 2022



MONTHLY BASE
SALARY

ANNUAL TOTAL
CASH

ANNUAL
INFLATION

9.9%



12.7%



18.6%

8.7%



10.5%



21.4%

11.5%



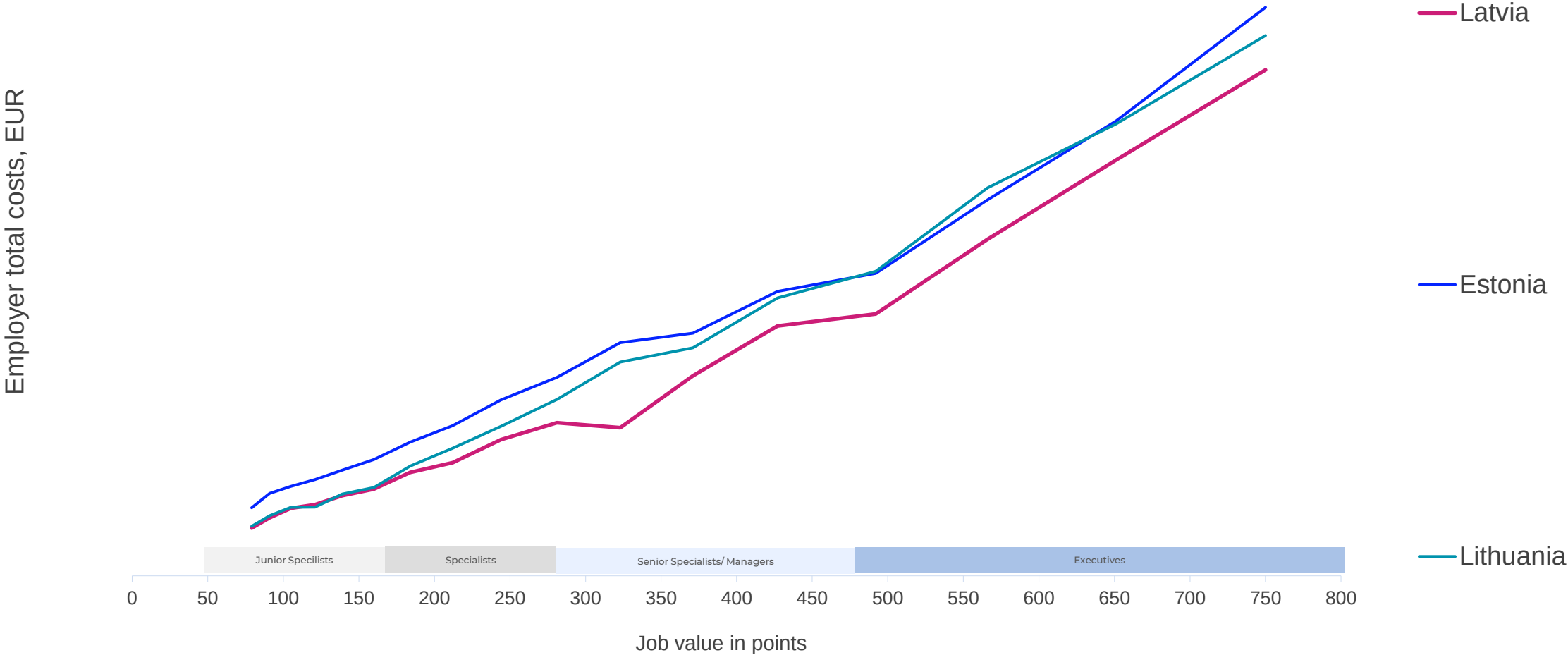
13.6%



21.7%



Most affordable employees are in Latvia



“If you torture the data long enough, it will confess to anything” -
Ronald H. Coase



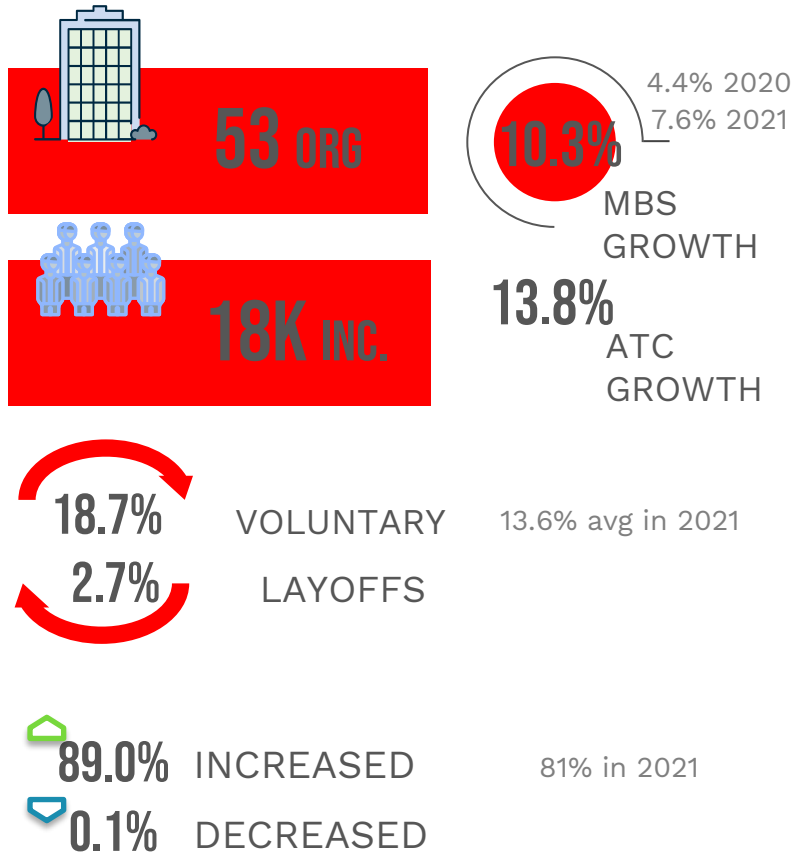
	Position has not changed				The position has changed			
	Change		Increase		Change		Increase	
	Monthly Base Salary	Annual Total Cash	Monthly Base Salary	Annual Total Cash	Monthly Base Salary	Annual Total Cash	Monthly Base Salary	Annual Total Cash
Analysis Based on Incumbents	11.5%	13.6%	12.3%	15%	24%	27%	25%	28%
Analysis Based on Organizations	11,6%	14,8%	12%	15%	32%	35%	33%	36%

Salary Change in Vilnius and Other Regions



Same Job as Year Before		
Region	Monthly Base Salary	Annual Total Cash
Vilnius	12%	15%
Kaunas	13%	17%
Klaipėda	10%	10%
Other	11%	12%

Overview – Financial sector



Salary changes in Financial roles – Whole market



Job Family	Level	Compensation change		Typical position
		MBS	ATC	
Accounting	1	13%	13%	Junior accountant
Accounting	2	13%	13%	Accountant
Accounting	3	9%	10%	Senior accountant
Accounting	4	9%	12%	Chief accountant (small org)
Accounting	5	9%	11%	Chief accountant (mid org)
Accounting	6	9%	12%	Chief accountant (large org)
Anti Money Laundering	2	15%	20%	AML specialist
Anti Money Laundering	3	9%	11%	Senior specialist/Expert
Anti Money Laundering	4	35%	41%	Team manager
Financial Analysis, Planning and Control	1	20%	22%	Junior Analyst
Financial Analysis, Planning and Control	2	11%	17%	Analyst
Financial Analysis, Planning and Control	3	9%	13%	Senior analyst, Financial Controller
Financial Analysis, Planning and Control	4	10%	15%	Senior controller
Financial Management	1	9%	14%	Head of Fin department
Financial Management	2	11%	16%	Financial director
Financial Management	3	10%	13%	Financial director (large org)
Financial Management	4	14%	23%	Group/Baltic Financial director

Chief Accountant - Compensation - Case study



Accounting - V

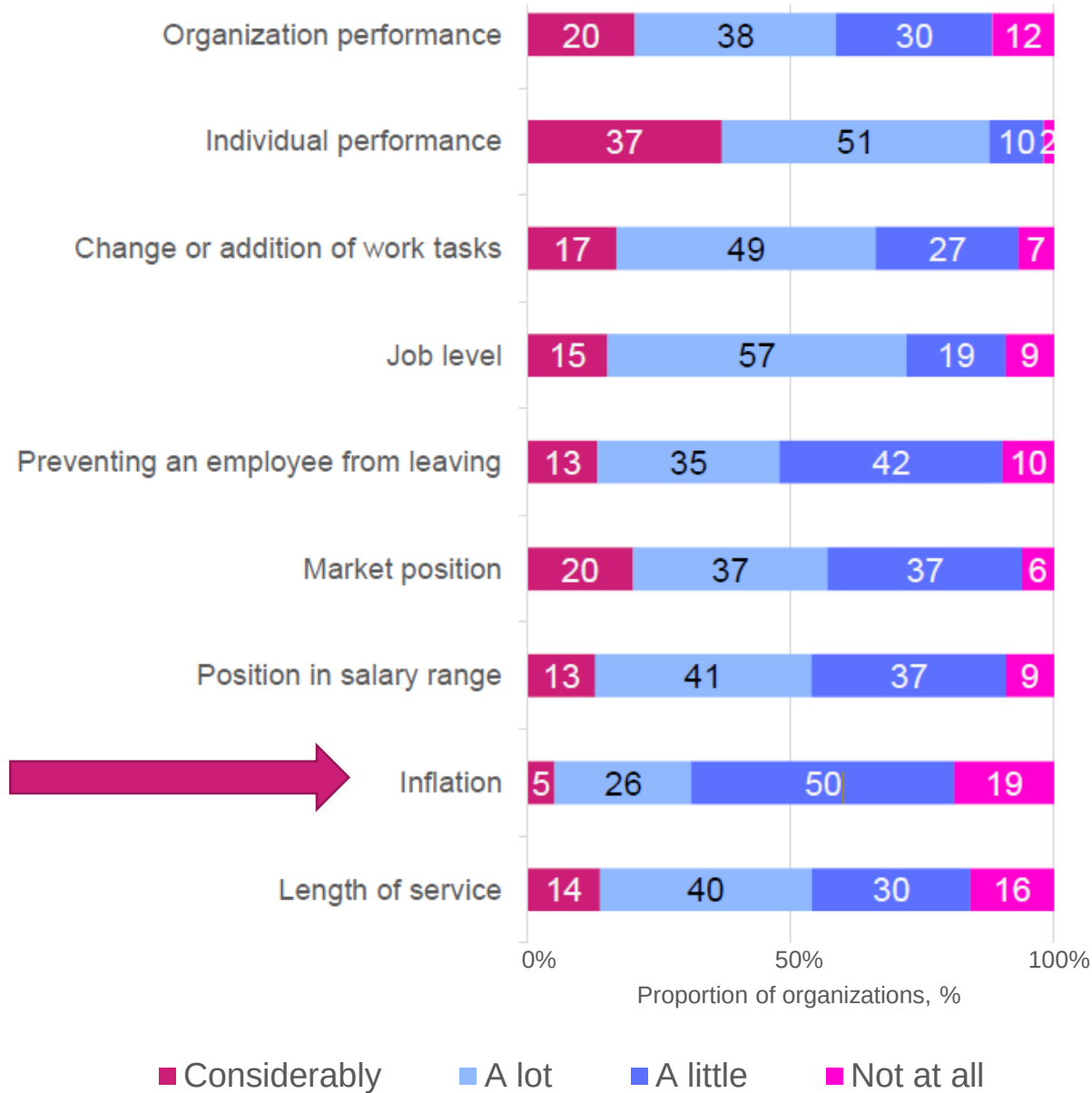
Job value in points

492

All regions

	NoJ/NoE	Average	10%	25%	Median	75%	90%
Base Hourly Rate	N/A						
Monthly Base Salary	69/43	4 914	3 805	4 203	4 765	5 260	6 460
Guaranteed Allowances	2/2						
Annual Base Salary	69/43	59 087	45 664	50 703	57 180	63 120	77 525
Statutory Allowances	2/2						
Sales Incentives	N/A						
Variable Short-Term Incentives	42/32	6 606	606	3 476	6 415	8 460	10 587
Long-Term Calculated Incentives	9/4	5 573			5 000		
Annual Total Cash	69/43	64 456	47 650	54 416	63 752	69 628	86 812
Proportion of Variable Salary	69/43	8%	0%	0%	6%	12%	16%
Sales Incentives Target	N/A						
Sales Incentives Maximum	N/A						
Variable Short-Term Incentives Target	11/9	17%	10%	10%	15%	15%	28%
Variable Short-Term Incentives Maximum	8/7	17%	13%	15%	15%	19%	22%
Monthly Base Salary Change	18/13	9%	0%	4%	7%	16%	20%
Total Annual Cash Change	17/12	11%	0%	5%	9%	16%	25%
Organization Cars Monthly Expenses	7/6	1 419	445	623	1 245	2 171	2 567
	NoJ/NoE	Frequency of Occurrence					
Organization Car %	8/7	12%					
Unlimited Organization Car Expenses	1/1						

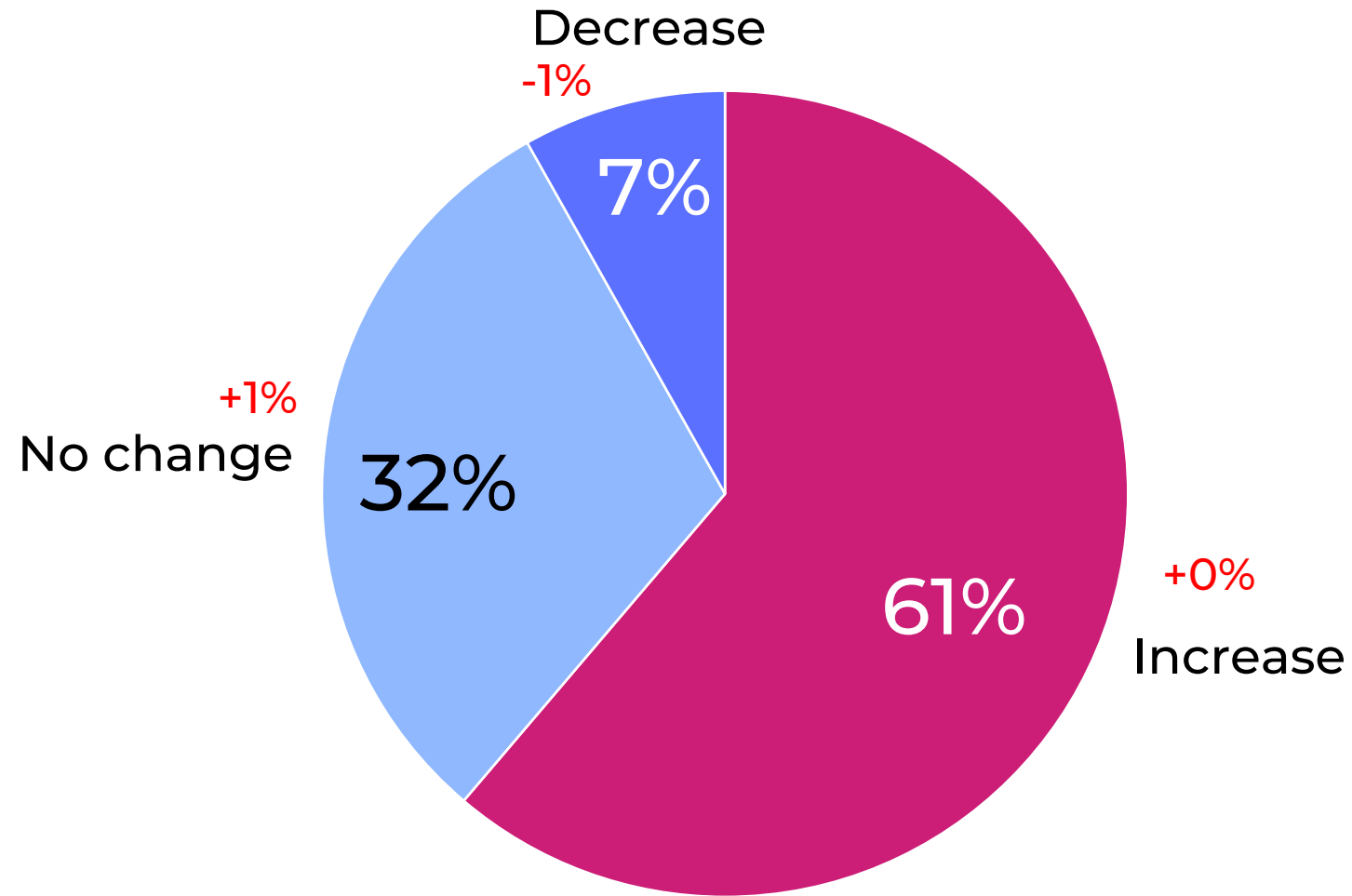
Factors Determining Individual Salary Changes - 2022





2023 Outlook (as of February)

Planned Change in Number of Employees by the End of 2023



*changes since January 2023

Planned Monthly Base Salary Change and Increase in 2023



Statistic	2023 Increase	
Average	8.4	+0.4
90%	15	+3
75%	10	
Median	8	
25%	5.1	+0.1
10%	4.8	-0.2

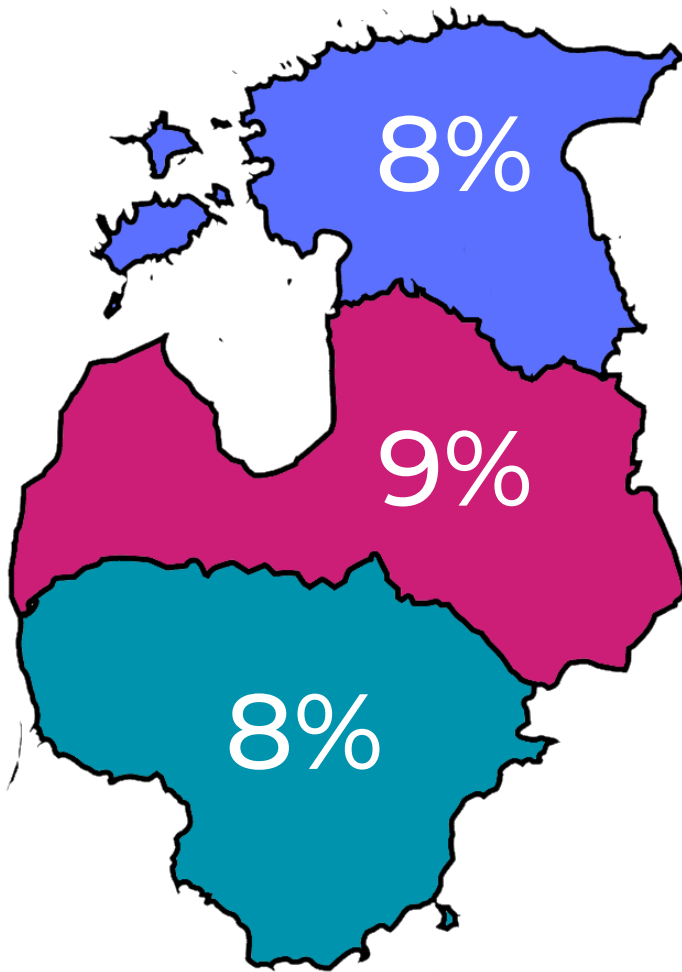
*changes since January 2023

Planned Monthly Base Salary Change



(Latest forecast)

(Predicted during 2022)



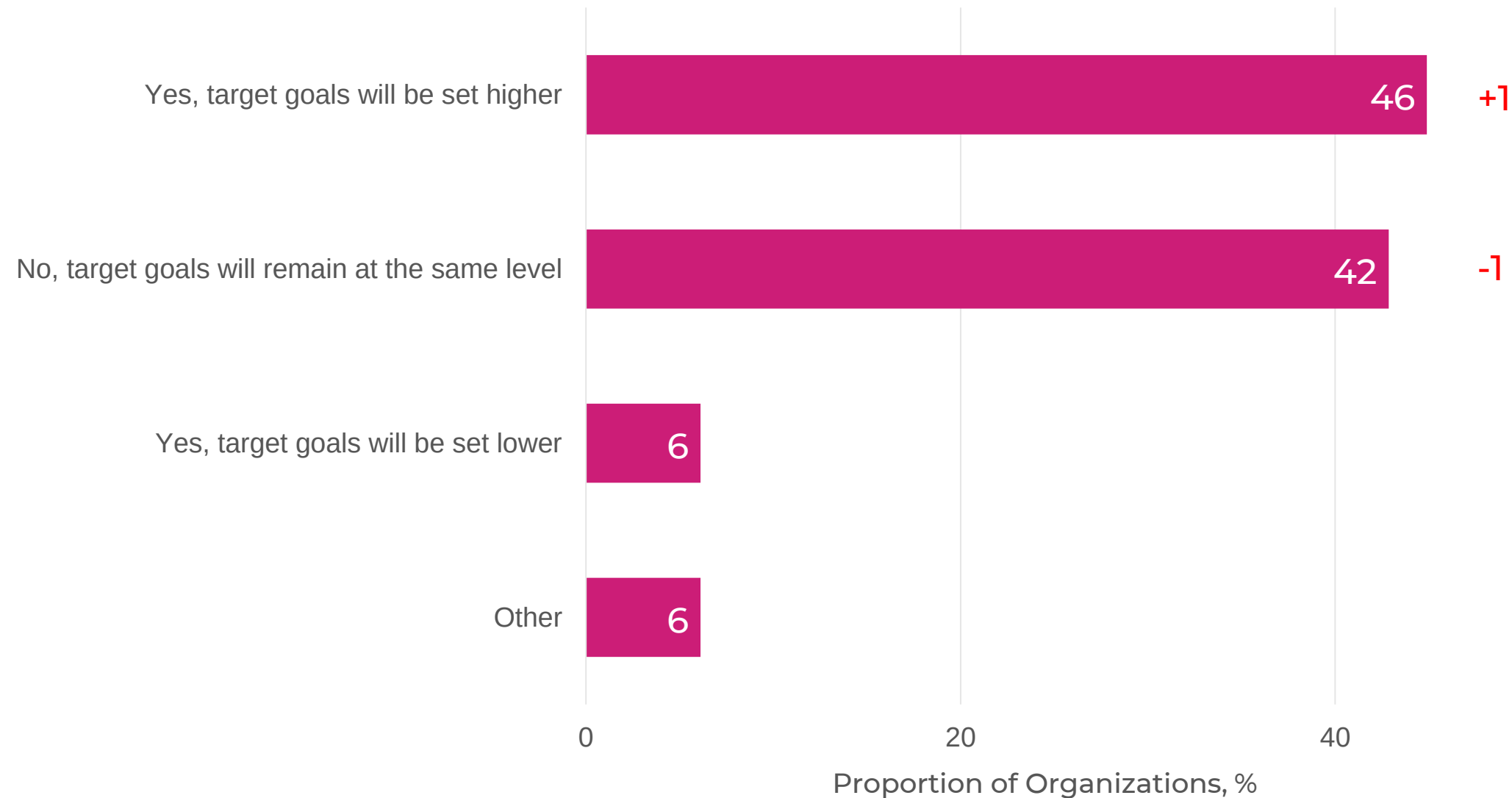
6.9%

6.8%

7.1%

For salary change organizations where salary did not change or decreased were included.

Planned Changes in Target Goals for Employees



*changes since January 2023

Perceived Wage Pressure in Different Employee Groups and in Different Sectors

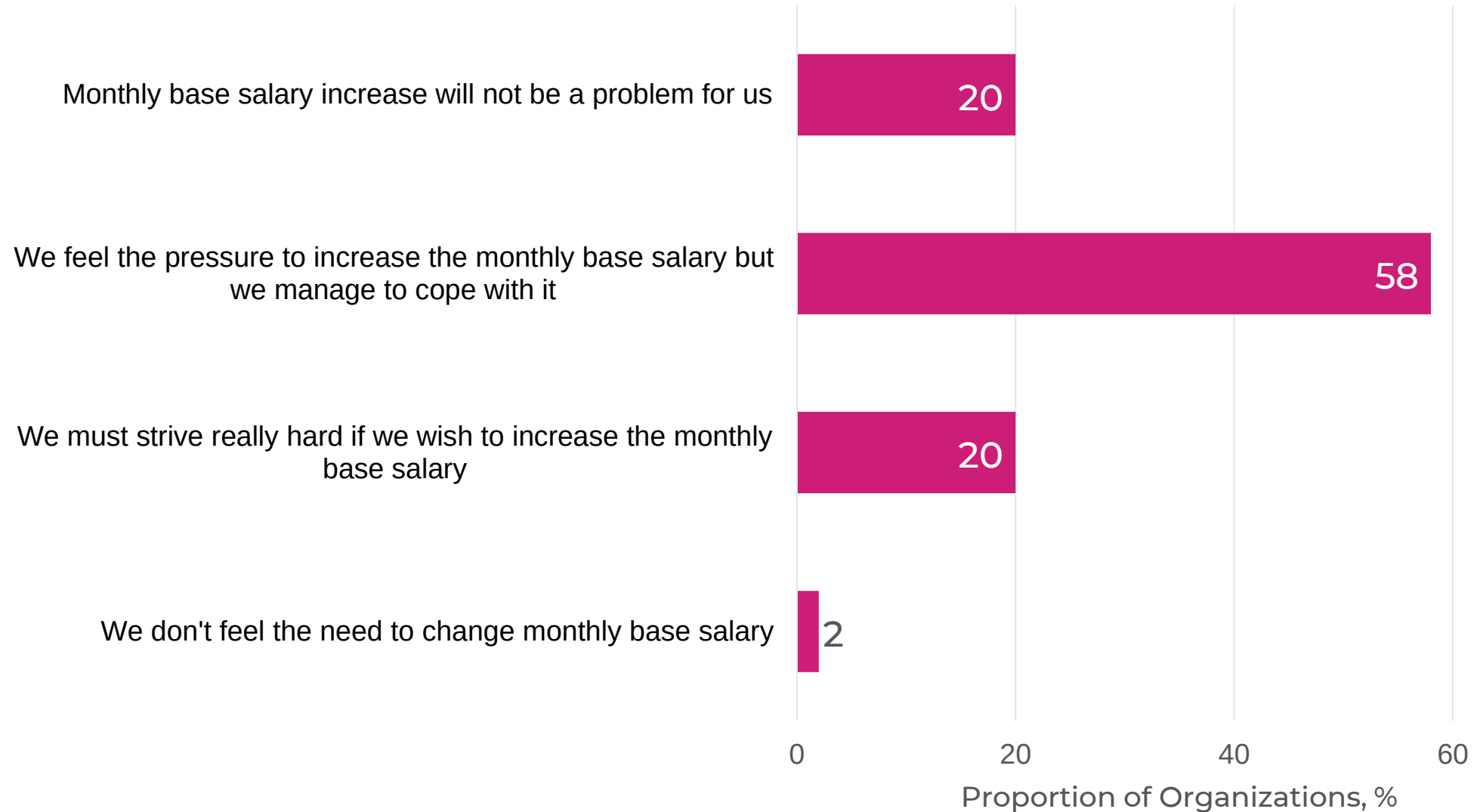


	Executives		Management		Professional sales		Professional non-sales		Para-professional "white collar"		Para-professional "blue collar"	
Financial Services	1.2	+0.2	2.3	+0.3	4.1	+0.1	4.5	0.0	3.9	-0.1	3.1	-0.9
IT and Telecommunications	3.2	-0.3	3.6	+0.1	4.2	+0.2	3.8	+0.2	3.6	0.0	2.3	-0.7
Production	1.6	+0.1	2.4	+0.2	2.5	0.0	3.5	+0.2	3.3	0.0	3.9	-0.3
Sales	1.5	0.0	2.0	+0.2	3.5	+0.1	2.5	0.0	2.8	0.0	3.3	-0.5
Whole market	1.9	0.0	2.6	+0.2	3.4	+0.2	3.4	+0.1	3.3	-0.1	3.4	-0.4

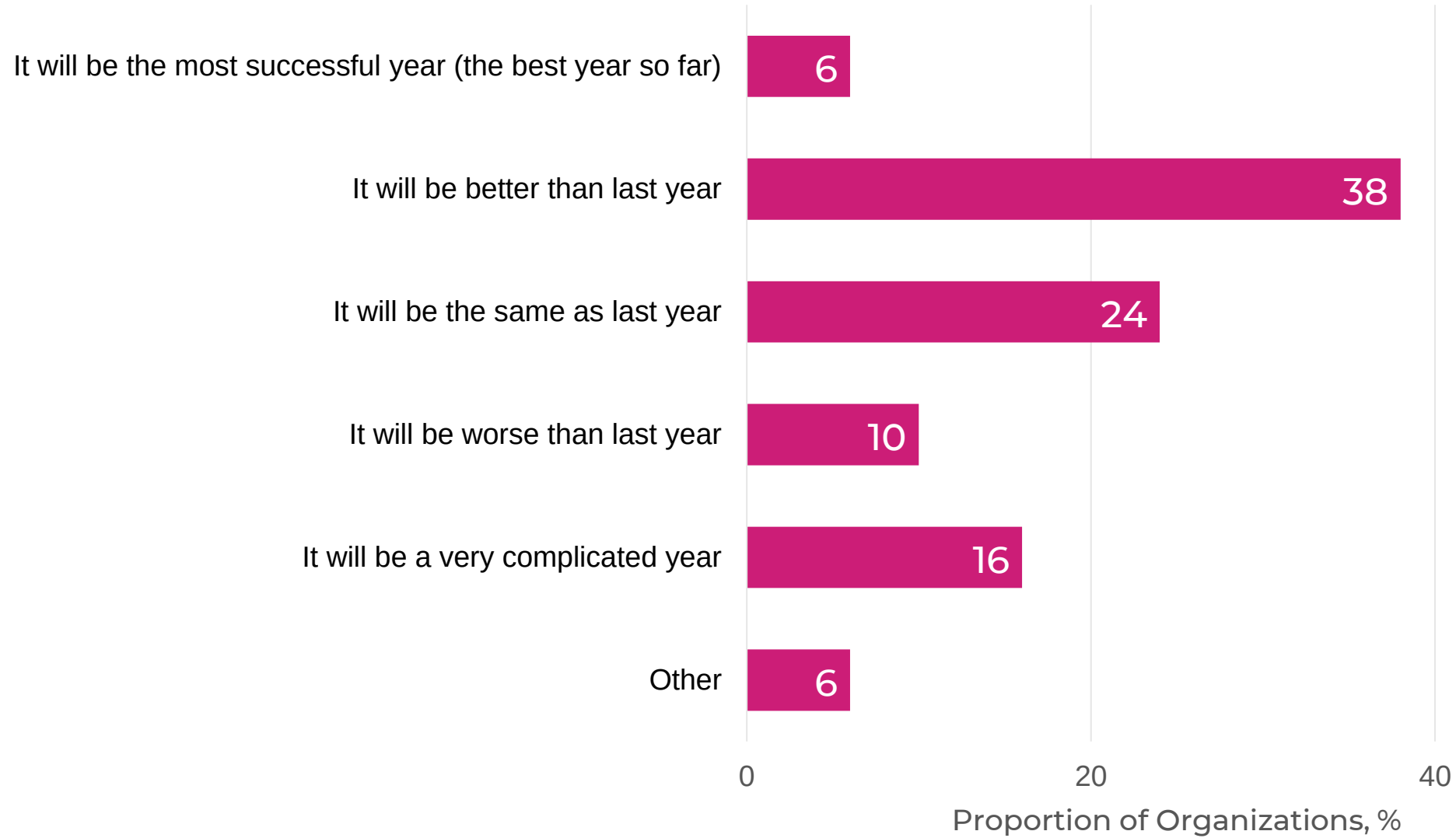
1 – no pressure, 5 – very strong pressure, people leave

*changes since January 2023

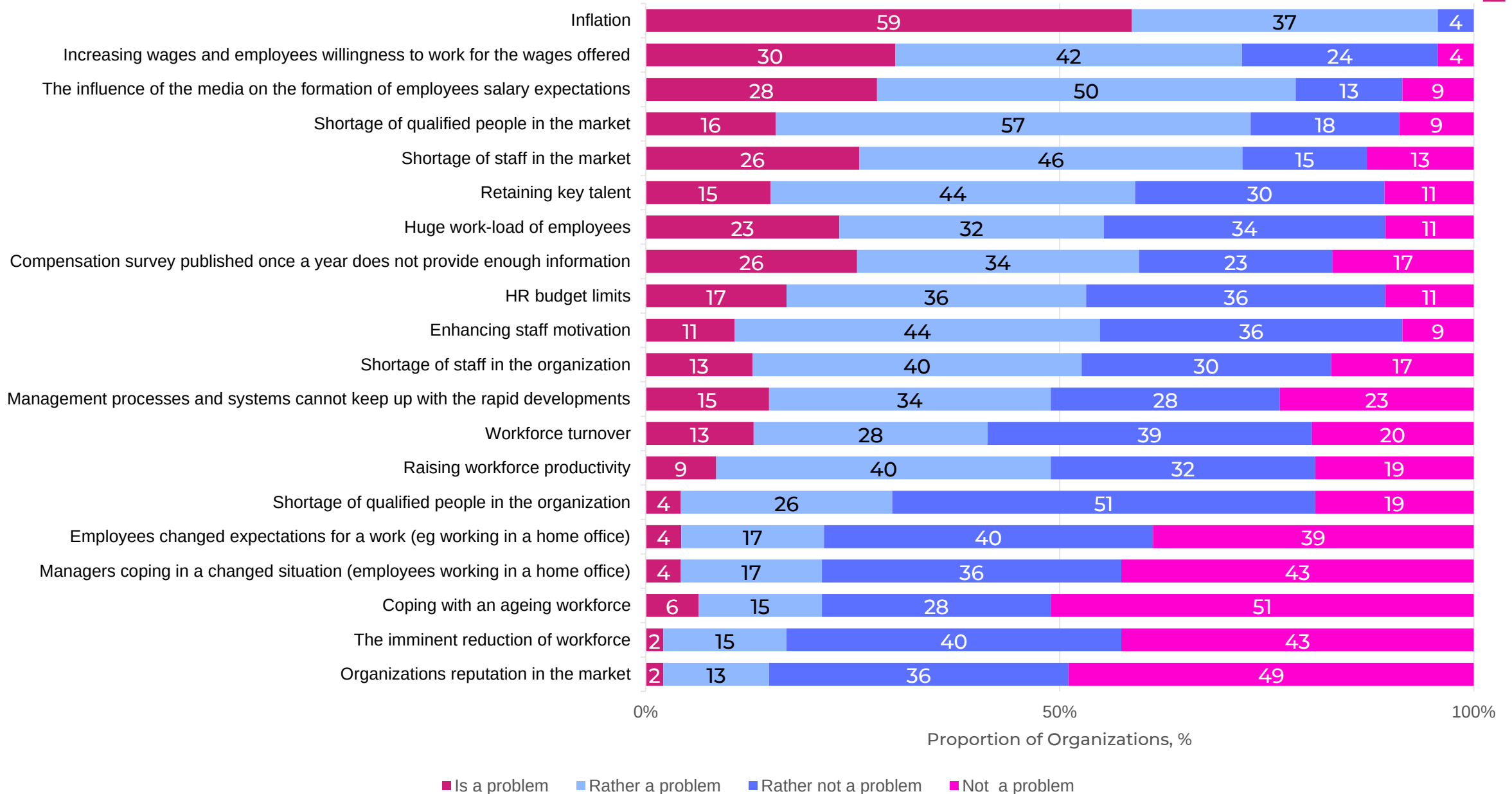
Estimations on Ability to Change Monthly Base Salaries in Organization for 2023



Estimation for Upcoming Year



Problems Related to Labor for Organizations 2023

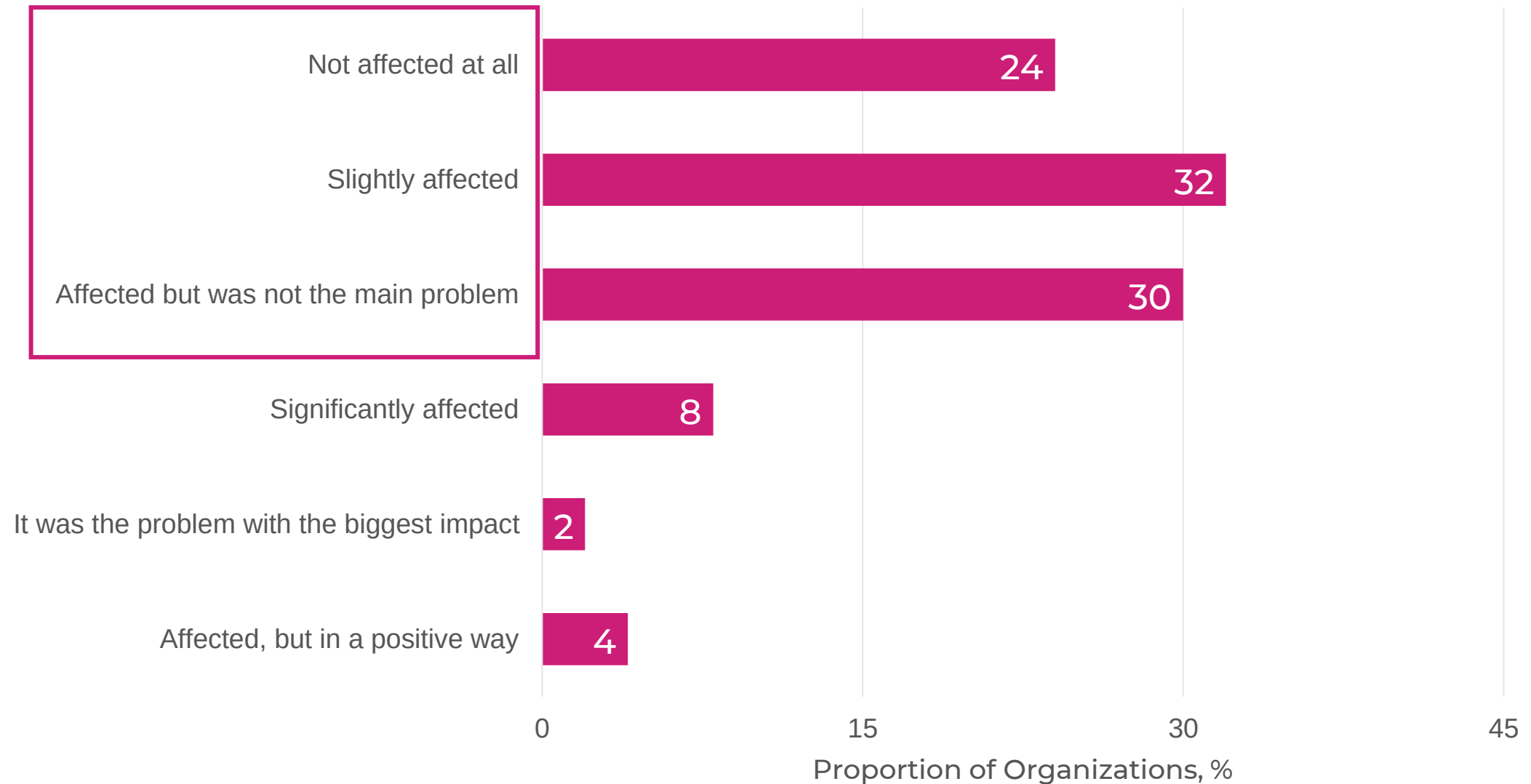


Summary of Forecast for 2023

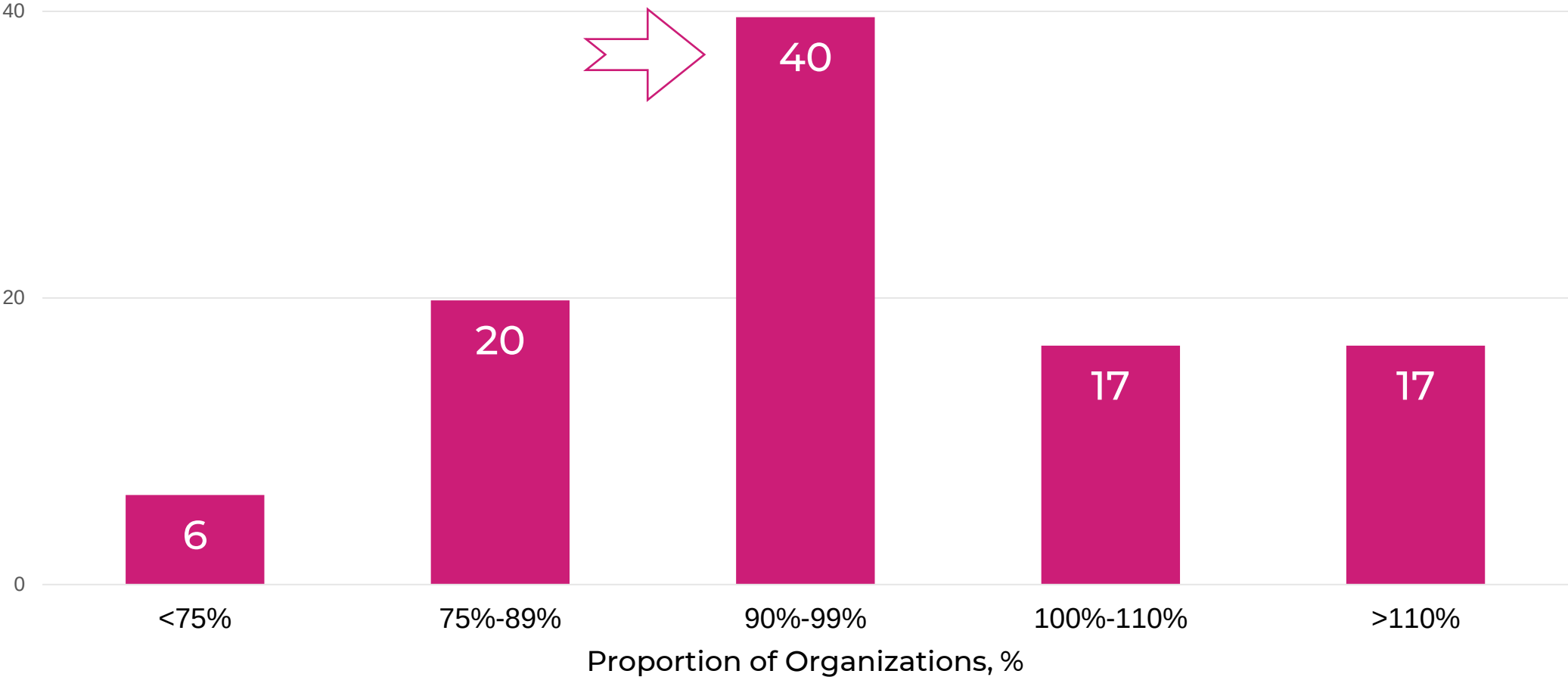


- Most of organizations are planning to increase their number of employees by the end of the year – only 6% to decrease.
- The planned median monthly base salary increase in 2023 is 8%.
- 52% of organizations responded that wage pressure varies between employee groups.
- Wage pressure is strongest among professionals and weakest among executives.

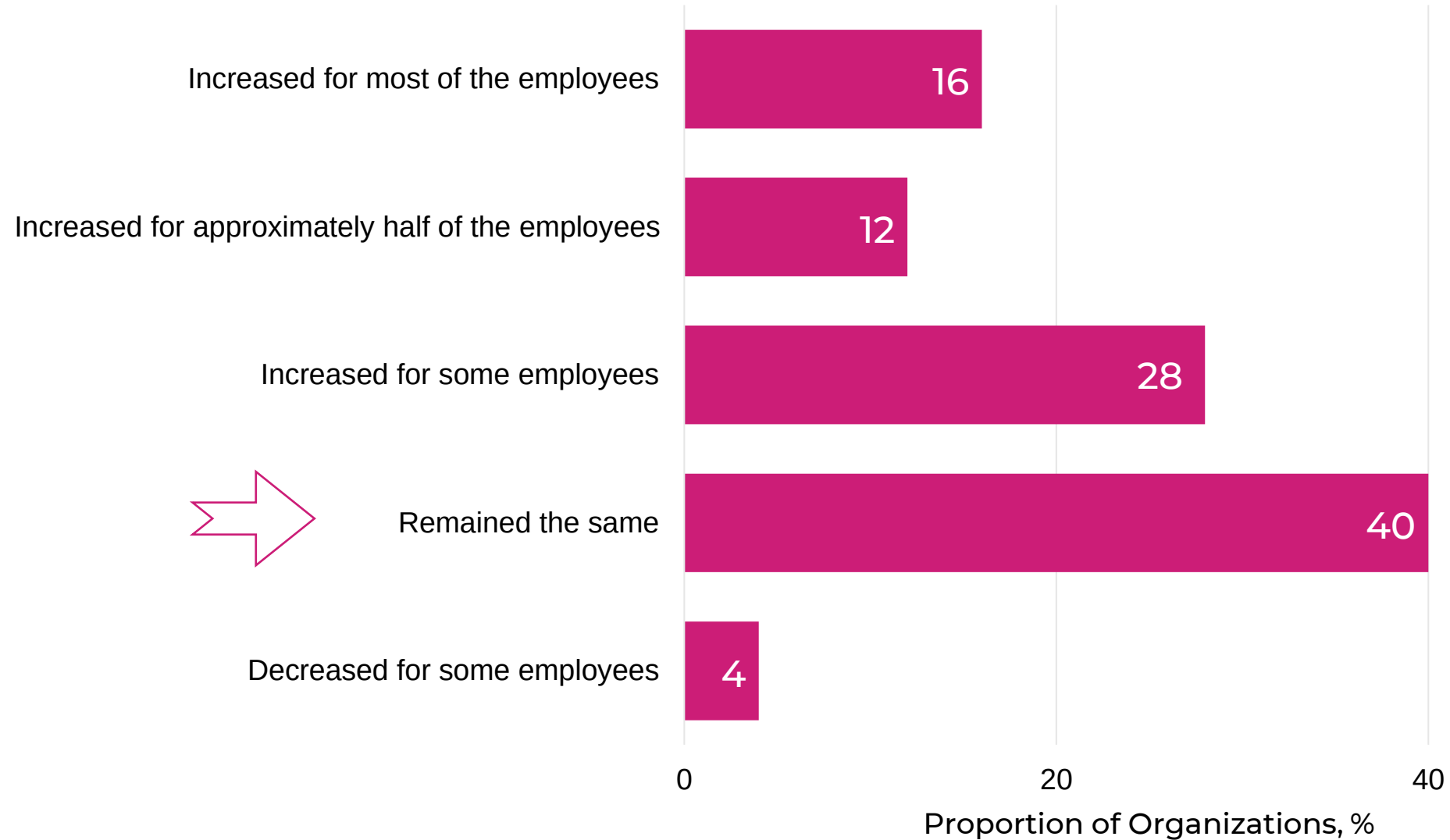
How did war in Ukraine (and energy crisis) affected business this year



Organizations Achieving Objectives Set for 2022



Change in Employee Incentives in 2022 Compared to 2021



Frequency of Paying Short-Term Incentives by Employee Groups



	No O	Annually	Semi-annually	Quarterly	Monthly	Other
Executives	103	87%	5%	8%	7%	7%
Management	135	73%	8%	18%	13%	6%
Professional Sales	104	36%	10%	39%	39%	5%
Professional Non-sales	126	70%	6%	12%	22%	5%

Average benefit basket per employee 2022



1050 EUR per year

5% increase from 2021

No significant changes in market practices, benefits basket contents or most popular benefits.



92%

93% (2021)

COVERAGE OF MOBILE
DEVICE AND BILLS



89%

85% (2021)

COVERAGE OF
TRAINING



72%

74% (2021)

COMPANY CAR



What employers do to stay effective and competitive?

Understand the Shift in «Social Contract»

WHAT SHOULD EMPLOYERS DO?



Age group

40+

30 - 40

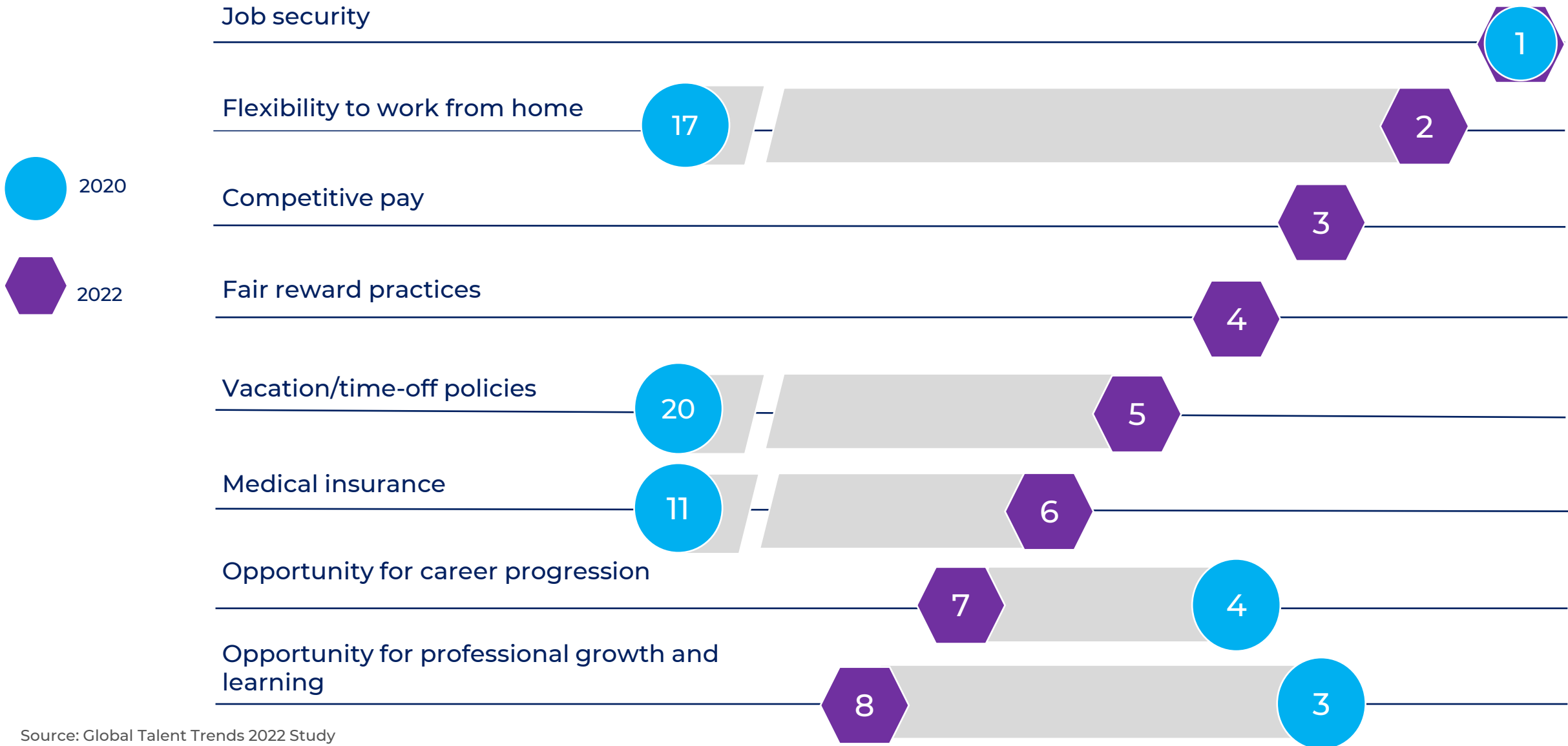
22 - 30

- 22



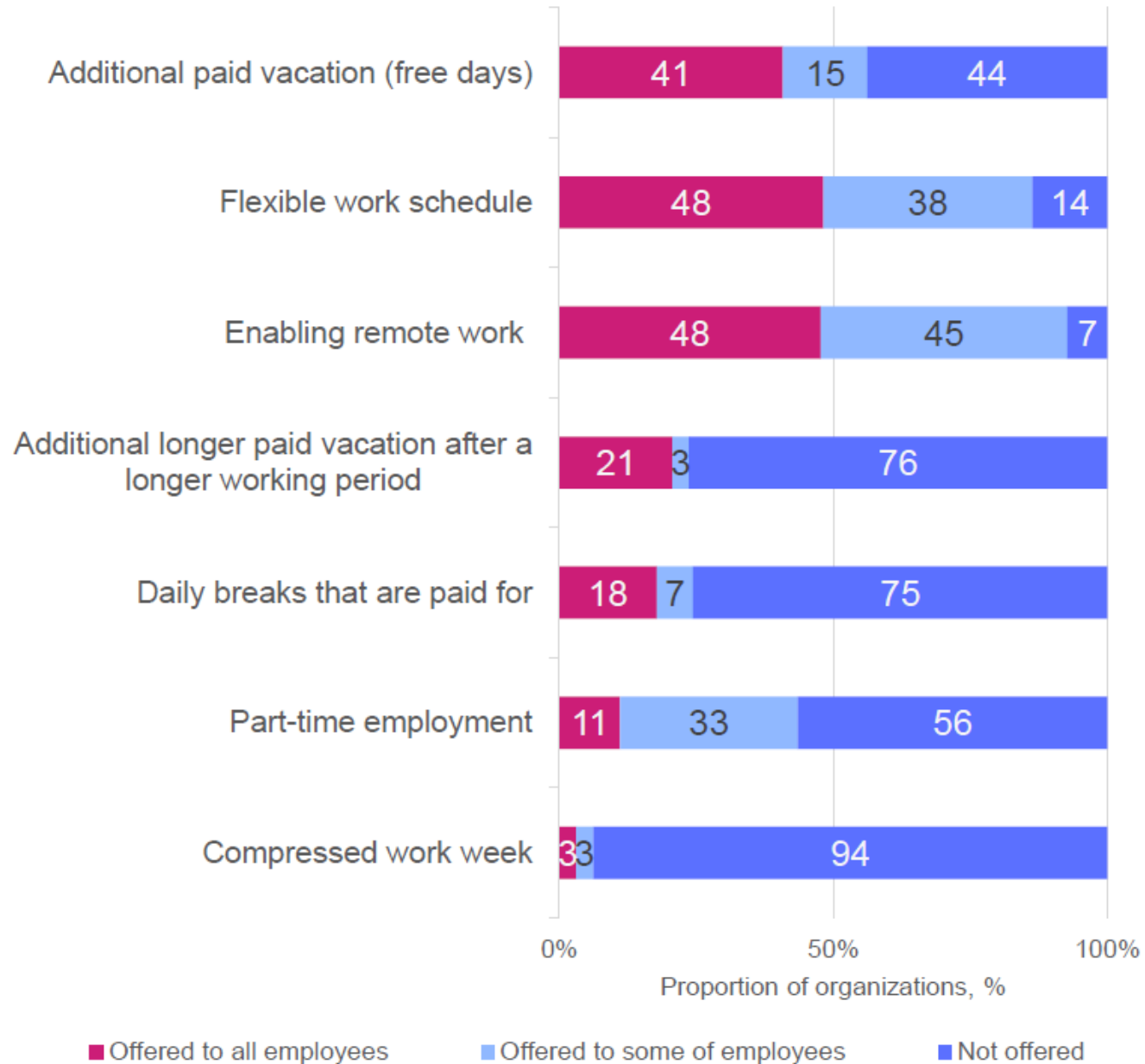
Analyze what makes employees stay

WHAT SHOULD EMPLOYERS DO?



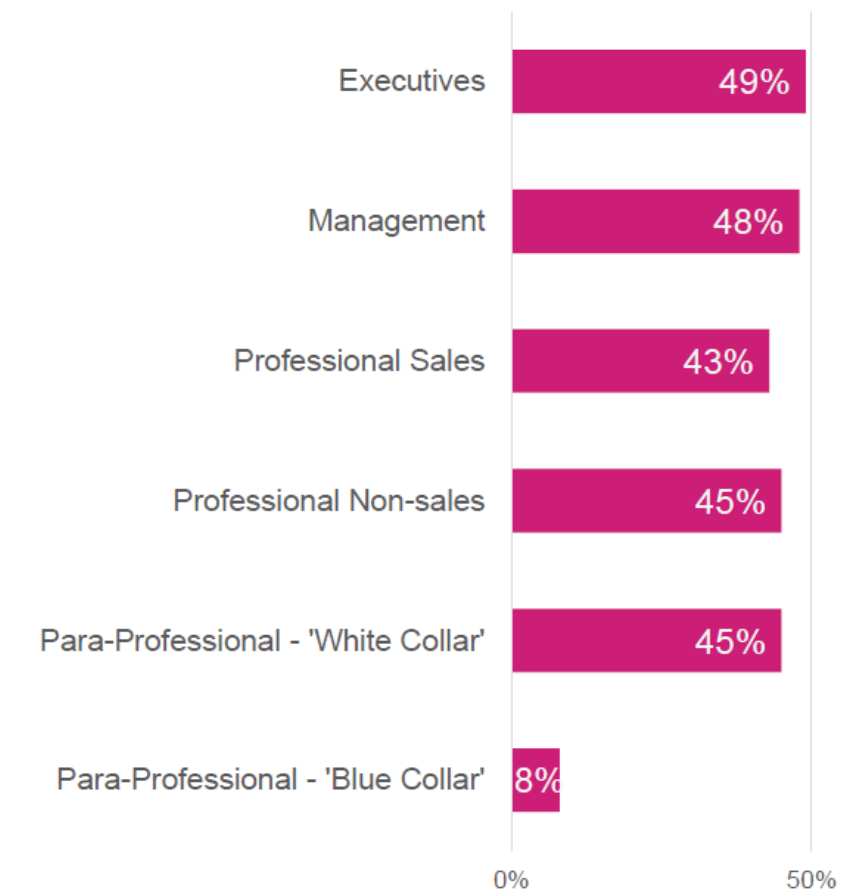
Ensure Flexible work options are available

WHAT SHOULD EMPLOYERS DO?

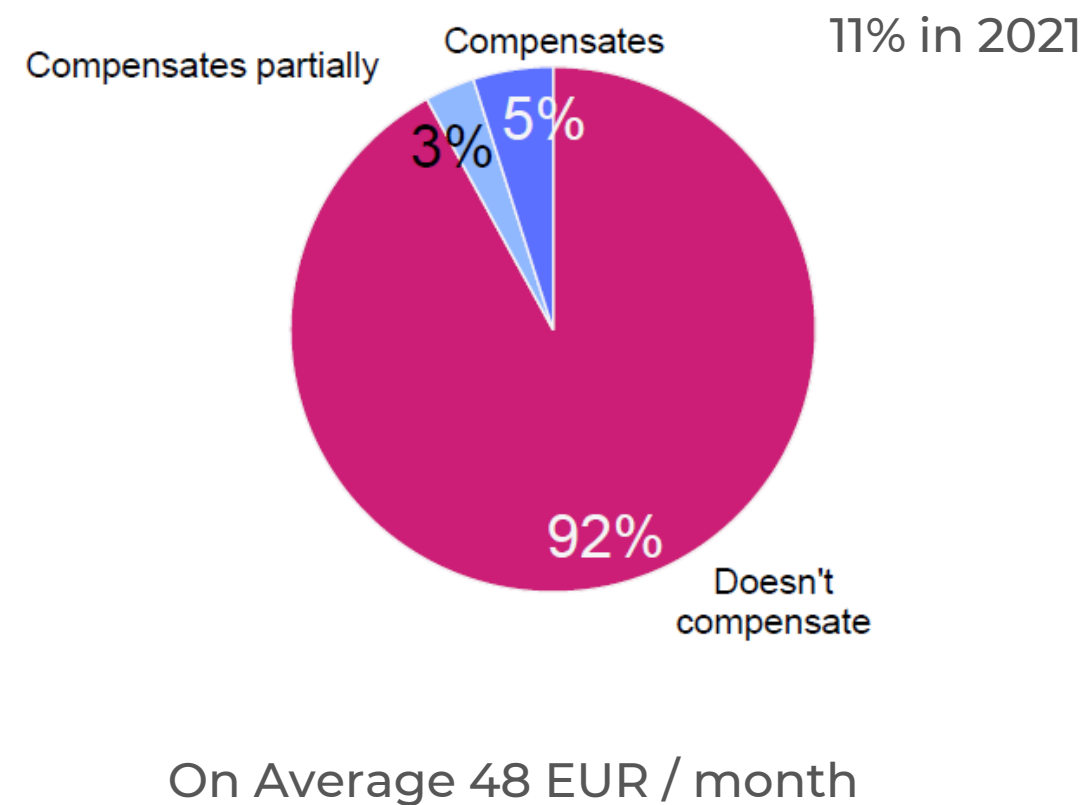


+ 5 paid/unpaid days in 2023 for self-education

What % of the work week employees are allowed to work remotely?



How many organizations reimburse the costs associated with working remotely?



Executives are concerned about remote working, but employees see things differently



Executives

78% Are concerned about the ability of remote employees to build solid interpersonal relationships with colleagues/leadership

75% Believe they have an apprenticeship culture where people learn working side-by-side, not remotely

72% Are concerned that remote workers will have a difficult time getting ahead/promoted

72% Are concerned with the potential deterioration of the organizational culture

Employees

76% Believe those who work flexibly will be given the same career opportunities

74% Say that senior leaders at their company are genuinely supportive of flexibility

74% Believe their organization will be more successful with remote/hybrid workers

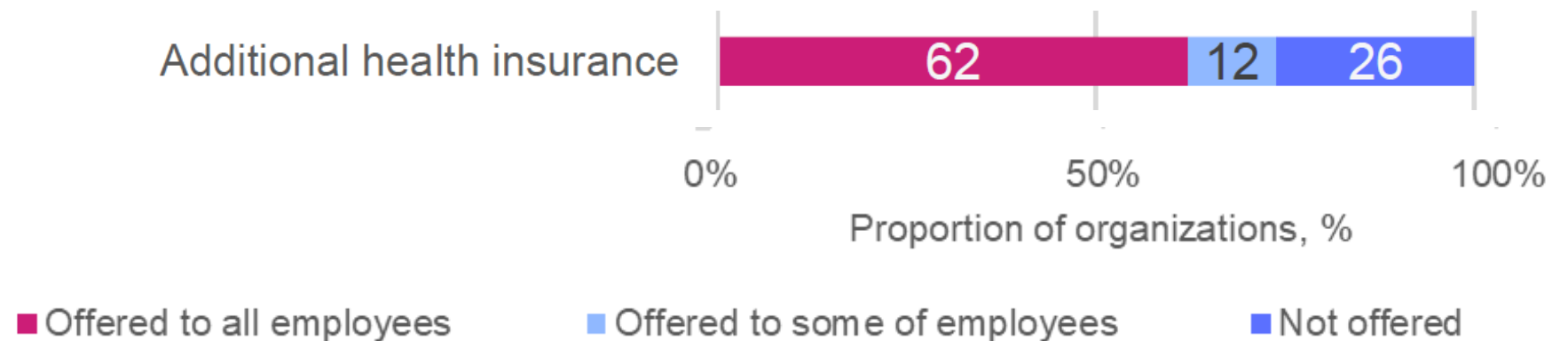
54% Enjoy working remotely 100% of the time

Invest in Employees well-being

WHAT SHOULD
EMPLOYERS DO?

BUT ASK EMPLOYEES IF THEY NEED IT BY PROVIDING ALTERNATIVE BENEFITS!

	Executives	Management	Professional Sales	Professional Non-sales	White Collar	Blue Collar
Health Insurance (median)	625	615	534	579	584	554
Annual Coverage (median)	3 832	3 844	3 720	3 529	3 750	6 250

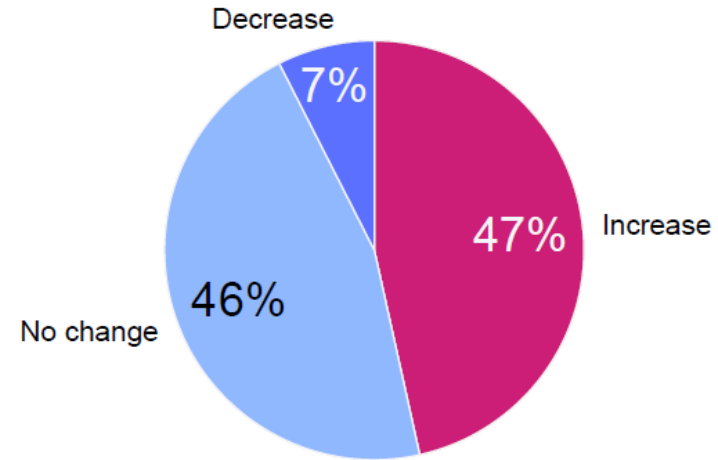


Provide Training

WHAT SHOULD
EMPLOYERS DO?

5% of organizations do not offer training to its employees

Budged change



Lithuania is the last in EU by the average amount of hours employees spend on training per year

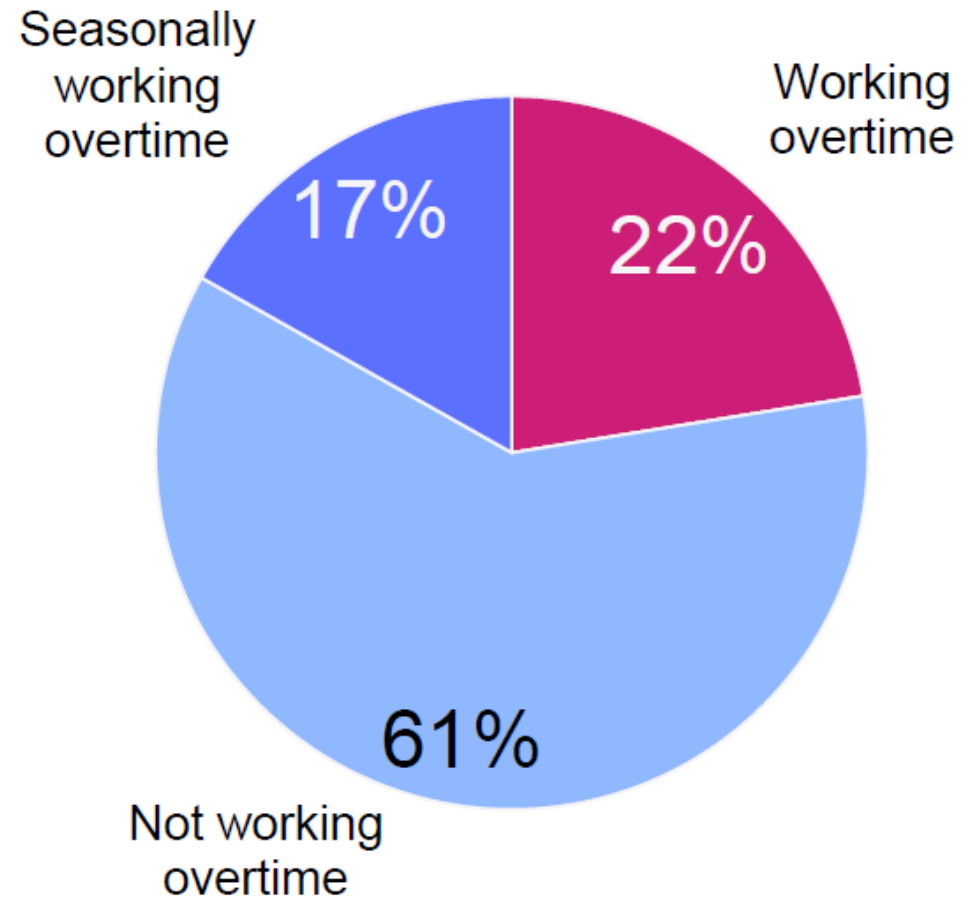
Which strategies are most impactful in closing skills gaps





Control Overtime

WHAT SHOULD
EMPLOYERS DO?





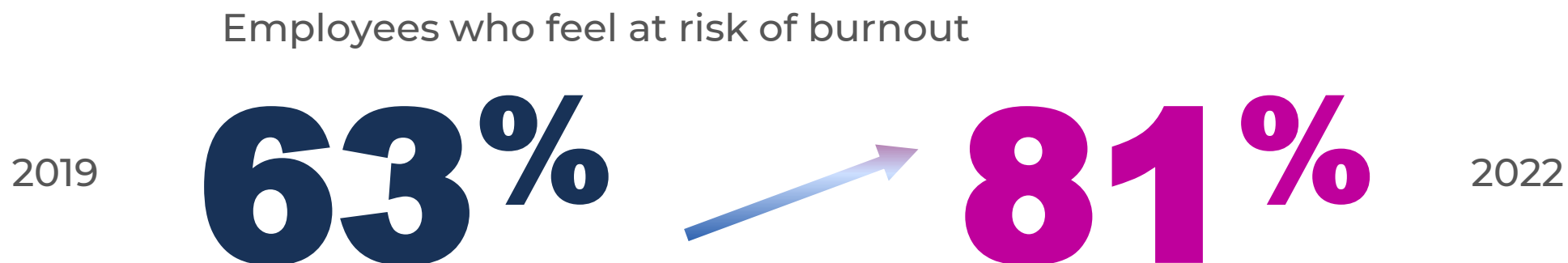
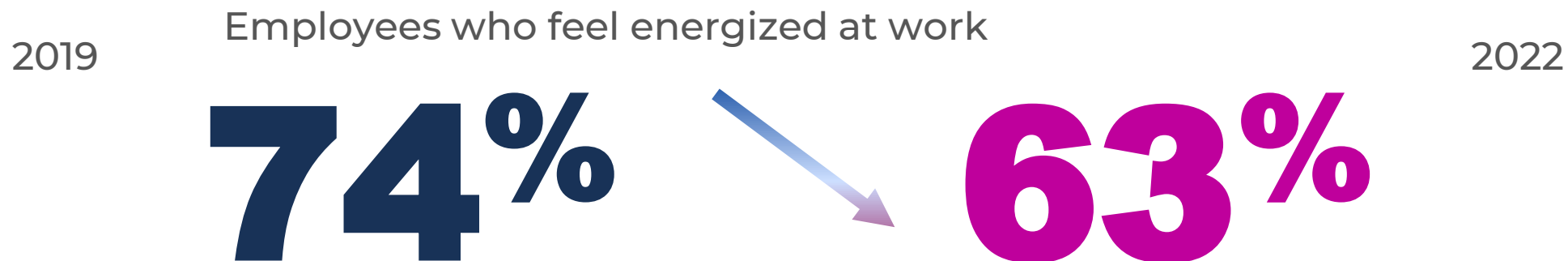
Quiet quitting

The term does not have a single definition, but usually describes a situation where employees do not leave their jobs but stop putting in the effort and energy.

Often related to overworking/burnouts.



Energy Level



Compensation Surveys 2023



- We welcome you to participate in this year's compensation surveys!
 - Lithuanian General Compensation Survey 2023 report is published in the end of August
 - Lithuanian Top Executive Compensation Survey 2023 report is ready in the end of November
 - Sector compensation surveys are conducted throughout the year according to the interest of participants. If you are interested in a sector specific compensation survey that might interest other organizations, feel free to contact us

- Satisfaction, motivation, organization culture surveys and equal pay expert analysis are carried out in accordance with the organizations needs.

Thanks!

FIGURE 

Figure Baltic Advisory
Povilas Blusius