
Pay increase letter to employee

It's best that managers are the ones to send the pay increase letter to an employee who's part of their team. Expressing appreciation for your team members helps maintain a good working relationship. HR could also send the email though this might feel more impersonal. You can see both template versions below.

Before employees receive a salary increase letter from an employer, they should have an in-person meeting with their manager (this could be a video call if they're part of a remote team). In this meeting, the manager should:

- Inform their team member they're getting a pay raise.
- Explain why they believe the employee deserves the extra salary (consistent high-quality work, particular achievements etc.)
- Briefly mention future expectations (without putting undue pressure on the employee).
- Discuss the [employee's career path](#) if the pay raise corresponds to more responsibility or increased duties.

If you're an HR professional, be sure to encourage the manager to have this meeting with their team member.

After this meeting, you can customize a sample pay increase letter to give employees confirmation of the raise discussed. The format of this letter should be simple and positive providing all the important information about the new salary and reaffirming the appreciation expressed in the meeting. Occasionally, an updated contract could be attached so the employee can sign it.

To help you, here's our 'pay raise letter to employee' template in two versions - one sent from the employee's manager and the other from HR:

From the manager

Subject line: Your new salary

Hi [*Employee_name*],

I'd like to confirm the [*10%*] salary increase we discussed. This brings your annual gross salary from [*\$70,000*] to [*\$77,000*]. Your salary will be officially updated on [*September 1st*] so you'll see the boost on your [*September*] paycheck.

[I've attached your new employment contract with the updated salary - please read it, sign it and send it to HR/ Please pass by HR's office to sign your updated contract by end of this week.]

Thank you for all your hard work. As your manager, I'm very pleased with your performance and commitment and [Company_name] appreciates your efforts and achievements so far. This pay raise is well-deserved.

Keep it up!

[Your name]

From HR

Subject line: Your new salary

Hi [Employee_name],

As discussed, you'll be getting a [10%] increase in your salary. This brings your annual gross salary from [\$70,000] to [\$77,000]. Your salary will be officially updated on [September 1st] so you'll see the boost on your [September] paycheck.

Please pass by my office to sign your updated contract by end of this week. *[If you're unable to come, I'll send you the new contract via email and you can print it, sign it and scan it to send back to me.]*

Thank you for all your hard work. [Company_name] appreciates your efforts and achievements so far. This pay raise is well-deserved.

Keep it up!

[Your name]