HR Salaries Revealed

PayScale

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PayScale

7,000 Positions.
50 Major Industries.
11 Countries.

PayScale is a market leader in global online compensation data. With the world's largest database of individual employee compensation profiles, PayScale provides an immediate and precise snapshot of the job market.

Our patent-pending, real-time profiling system indexes custom employee attributes (such as industry-specific certifications) and specific job titles for every industry.

Our secure, on-demand business solutions, PayScale MarketRate and PayScale Insight, provide employers with accurate, reliable compensation detail never before available.

Agenda

- HR Salaries
- Location Matters
- Maturity Curve
- HR Profiles
  - HRG
  - HR Manager
  - VP HR
- Pay Trends
- Salaries at Profitable Companies
- What we know about comp strategy
- Q&A

HR Salaries

- HR Salaries
  - 1000 employees
  - Technology Industry
  - Nationwide

  - Human Resources Assistant: $29,800
  - Human Resources Generalist: $53,300
  - Human Resources Manager: $78,300
  - VP of Human Resources: $137,500

Location Matters

- Baltimore 106% (102 – 112%)
- Boston 112% (107 – 118%)
- Chicago 105% (100 – 110%)
- LA 113% (110 – 115%)
- Minneapolis 102% (100 – 109%)
- New York 116% (116 – 120%)
- Phoenix 101% (95 – 102%)
- SLC 97% (93 – 100%)
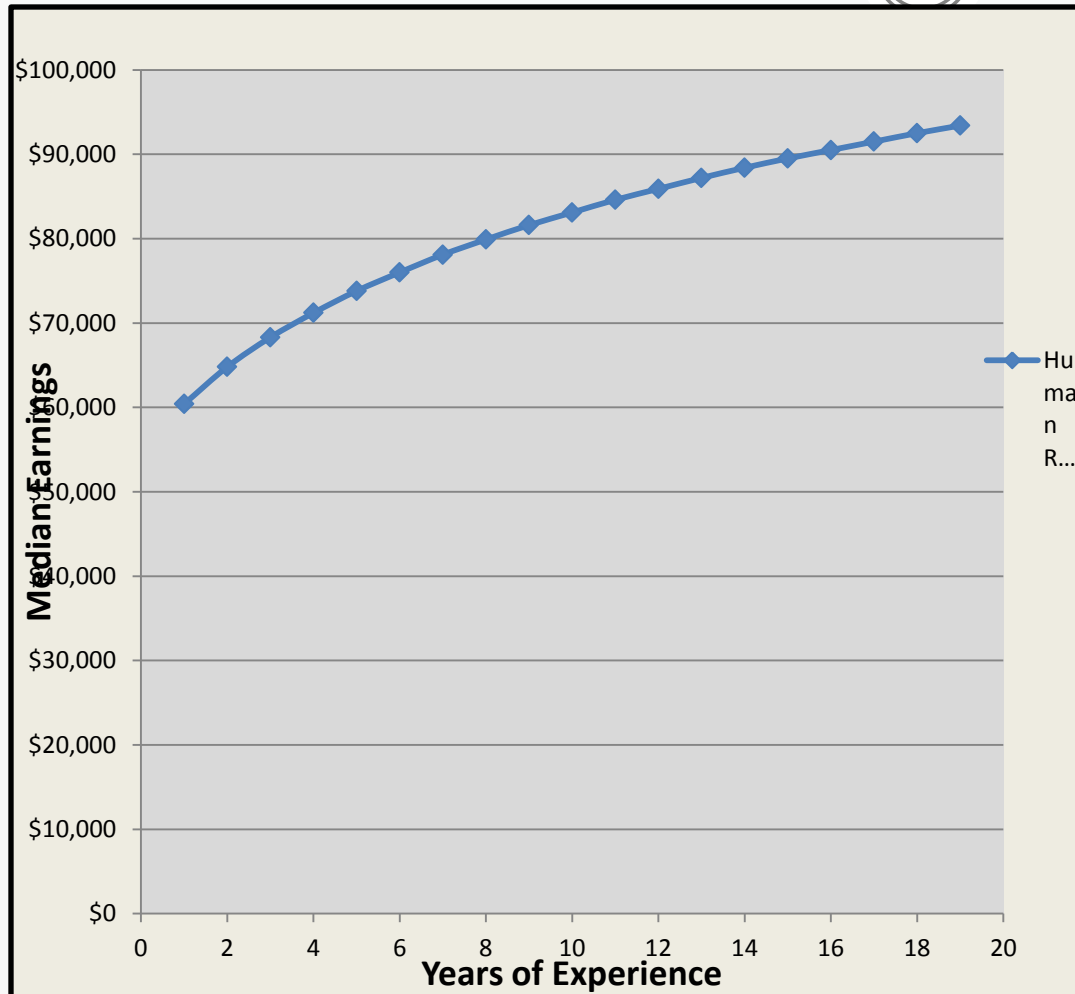- San Francisco 123% (120 – 128%)
- Seattle 107% (102 – 116%)

Location Drives Pay Higher for Different Jobs

- Baltimore – HRA
- Boston – HRA
- Chicago – VP HR
- LA – VP HR
- Minneapolis – HRA
- New York – HRG
- Phoenix – HRA
- SLC – HRA
- San Francisco – HRG
- Seattle - HRA

Maturity Curve for HR Manager

Definitions:

Total Cash Compensation (TCC): TCC combines base annual salary or hourly wage, bonuses, profit sharing, tips, commissions, and other forms of cash earnings, as applicable. It does not include equity (stock) compensation, cash value of retirement benefits, or value of other non-cash benefits (e.g., healthcare).

Range in pay within a job can be very wide depending upon years of experience, scope of responsibility, number managed, etc. Therefore pay can be if the worker has higher levels of experience and responsibility and/or they manage a larger staff.

Data Collection: The data were collected between September 2009 and September 2011 for employees working in the US.

Years of Experience: This is the total years in the field or career for the particular job.

Maturity (Experience) Curve: "Maturity" is a compensation professional term for how pay increases with time as experience and responsibilities in a job grows.

HR Generalist Profile

- Skills
  - Recruiting & HRIS Administration each include a +5%
- Certification
  - PHR +10%
  - SPHR +20%
  - CHRP +5%

- Degree
  - MBA +10%
  - MA +10%
  - 25% of employees hold advanced degree
  - -8% for Associates
  - -10% for HS Diploma

- Industry
  - There is a 7% range between different industries

- Company Size
  - There is a 20% range between fewer than 100 employees and 4000 employees.

HR Manager Profile

- Number Supervised
  - From 0 to 3 ee's = 5%
  - From 3 to 7 ee's = 3.5%
  - More than 8 ee's = -10%

- Certification
  - PHR +5%
  - CHRP +8.5%
  - SPHR +15%

- Degree
  - MBA +8%
  - MA +8%
  - 27% of employees have an advanced degree

- Industry
  - There is a 10% range between different industries

- Company Size
  - There is an almost 30% difference between companies with less than 100 employees and 2500.

VP of HR Profile

- Skills
  - Strategic Planning +8%

- Number Supervised
  - +20% for 15 direct reports as opposed to 3.
  - If supervising Sr. Managers/Directors +9%

- Certification
  - PHR +0%
  - SPHR +5%
  - GPHR +9%

- Degree
  - MBA +5%
  - MA +0%
  - 37% of ee's have advanced degree
  - 6% have JD or PhD
  - JD or PhD +3%

- Publicly Traded Company +5%

- Industry
  - There is an 11% difference between industries

- Size
  - There is a 42% difference between an employer size of less than 100 and 7,000.

Pay Trends Since 2006

HR Manager: Growth in Median Pay from January 2006 Holding All Else Constant
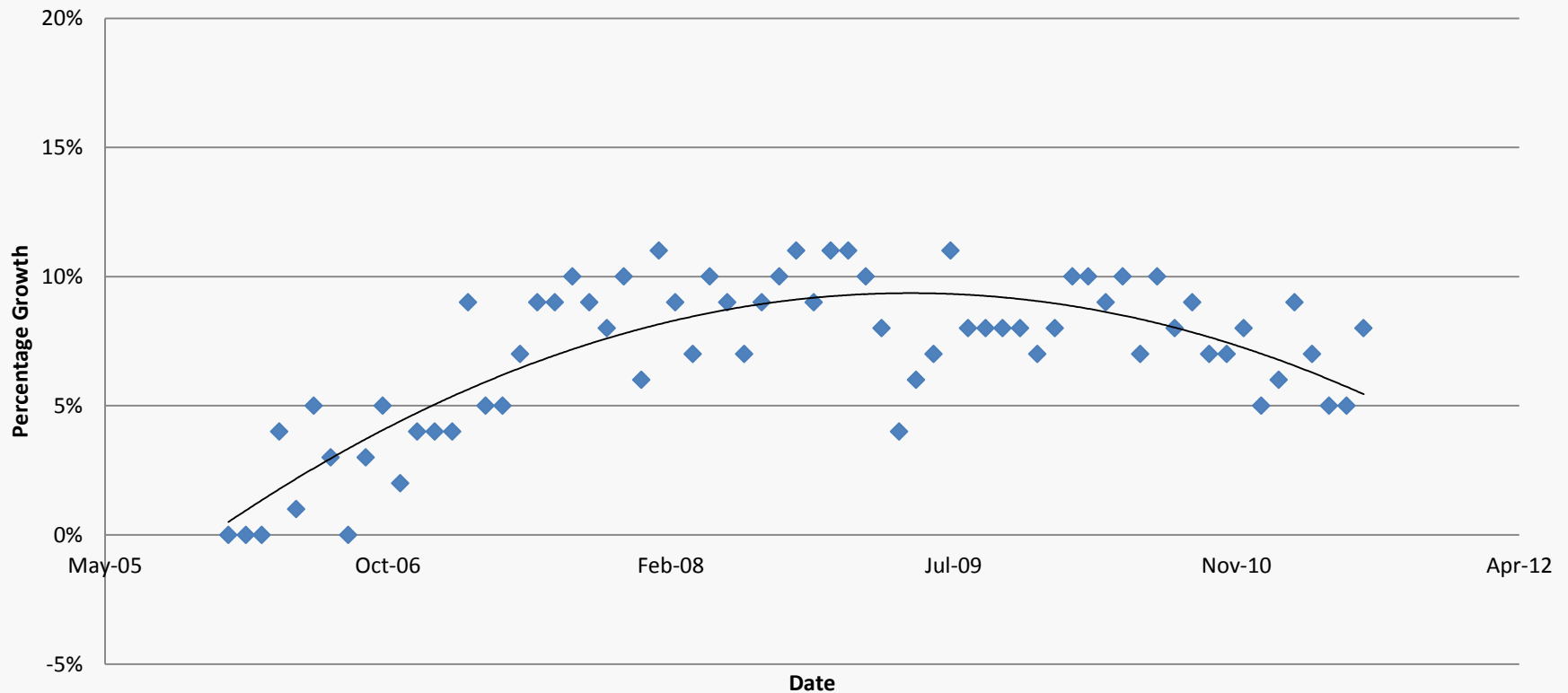
How does HR pay vary with profitability?

Job Title	Pay Premium for working at a Profitable Fortune 500 Company Relative to all Companies
Administrative Assistant	7%
Customer Service Representative (CSR)	2%
Human Resources (HR) Manager	6%
Inside Sales Representative	5%
Marketing Manager	11%
Software Developer	7%

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Overview:
1. We compare the median pay of common jobs for a sample of profitable Fortune 500 companies and across all companies and find that employees typically earn more at profitable companies, all else held constant.

2. To define the sample list of profitable companies, I found the 2010 profits of the Fortune 500 companies and focused my analysis on the 100 most profitable (e.g. Exxon Mobil, AT&T, Microsoft, etc.) .

3. Utilizing the same technology as that to build The PayScale Index, I calculate the pay difference in median pay between the sample profitable companies and all companies holding all else constant.

This shows how pay changes simply as a function of employer and does not allow for changes in the dataset composition (e.g. more experienced workers at profitable companies, workers at larger companies sizes, workers in higher paying area, etc.)

What can this tell us about company philosophy

- Paying employees well can be a profitable strategy

- Paying employees more won't guarantee they stay, nor will it guarantee top talent

- If you invest in the right skill set – you will have success.

A good reminder

- Benchmarking with the correct data is important
  - Location
  - Company Size
  - Skills
  - Certifications
  - Education
- If we use the wrong data we can be off by 10-40%!
- What the maturity curve tells us
- What the pay trend data tells us
- Be sympathetic to the challenges that exist

PayScale Delivers Where Other Compensation Providers Fall Short

PayScale operates the largest online salary database in the world. We allow organizations to price their jobs according to their industry, location, and the employee skill sets which make their workforce unique. PayScale goes beyond supplying the accurate data you need - we also give you the tools to efficiently manage your compensation projects, and the knowledge to stay up-to-date.

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