

## SalarySurveyOnline.com's Executive Summary Briefing on Merit Increases

Since 2001, Effective Resources, Inc. has been providing salary, wage, and benefit data for the State of Florida and its major metropolitan regions via *SalarySurveyOnline.com*. It's developed by professionals for professionals. The survey is an invaluable source of information for employers of all sizes, business owners, Human Resource professionals, and educational institutions with graduating seniors.

Wage and salary data is provided for 328 jobs in a variety of easy-to-use breakouts including Industry, Company Size by Employees, and Company Size by Sales/Assets (see Rates for Selected Jobs). The survey also contains comprehensive benefits sections with details for medical premium increases, life insurance and disability plans, medical out-of-pocket costs, 401(k) matching, vacation and sick time, and other important issues facing today's employers.

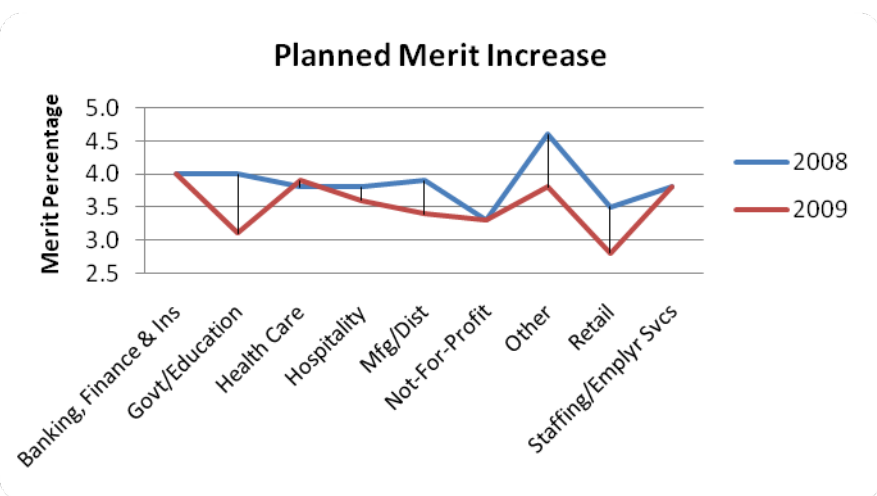
The following article provides an overview of some of this year's survey results for Florida.

### MERIT INCREASES

The overall merit increase is 3.6 percent which is less than the 3.8 percent reported for US average in national surveys.<sup>1</sup> This is also down from 3.9 percent reported in our survey last year. The current economic situation is tenuous at best: the pillars of industry giants are crumbling, there are seemingly daily government/tax payer bail outs, there have been dramatic increases in gas

and food prices, our housing market is stuck in slow motion, we face a record government deficit and our presidential election is only a few weeks away. Businesses face these very same things along with the continued lack of skilled labor. What are employers to do?

"To retain your best performers, don't forget about non-cash incentives" suggests Barry Brown, president of Effective Resources Inc., the owners of *SalarySurveyOnline.com*. "There are other ways to recognize, reward and motivate employees. Rather than increasing base pay, consider using lump-sum merit increases. They do not increase base pay and the associated costs, but still recognizes the employee's performance."



<sup>1</sup> Mercer, 2008/2009 US Compensation Planning Survey; 2008 WorldatWork Salary Budget Survey

For years we have seen merit increases hover around 4% but this year we see a marked decrease jumping closer to 3.5%. Government/Education (3.1%), Manufacturing and Distribution (3.4%), and Retail (2.8%) all show decreases in their merit increases this year. The reasons for these changes are probably obvious knowing the current state of the economy.

### **SALARY RANGE ADJUSTMENTS**

Planned Salary Range Adjustments had been slowly moving up from 3.4 percent since 2004. However, the planned adjustment this year for exempt pay structures is down a slight tick from 3.5 last year to 3.4 percent. Non-exempt pay structures this year are at 3.3 percent compared with 3.5 percent the previous year. These aren't drastic changes but employers are going to have to get creative to retain top performers.

### **Accessing Survey Results**

The surveys at *SalarySurveyOnline.com* are excellent support tools for your benchmarking, planning and budgeting processes. Our surveys afford you the ability to review benefits and compare your pay rates with others of similar size, industry and geographic region so you can make informed decisions.

Survey results are available in a variety of formats to suit your work style and priced to fit the tightest budget. Be sure to check out our new Customized Market Analysis format.

To review the surveys available and/or purchase the results, click the *SalarySurveyOnline.com* link on your local association website or go directly to [www.SalarySurveyOnline.com](http://www.SalarySurveyOnline.com). Be sure to use this referral code when ordering online: **74-9901**

Our managing firm, Effective Resources, Inc., also provides consulting services in compensation planning, performance management, incentive plan design, market pricing, Affirmative Action Plans, employee opinion surveys, and other analytically-demanding projects.