

THE ANALYSIS OF SPECIALIST'S SALARIES

Prepared for

Polish Information and Foreign Investment Agency

Contact:

Advisory Group TEST Human Resources
Department of Analyses and Salary Reports

info@raportplacowy.pl

www.raportplacowy.pl

+48 12 350 56 00

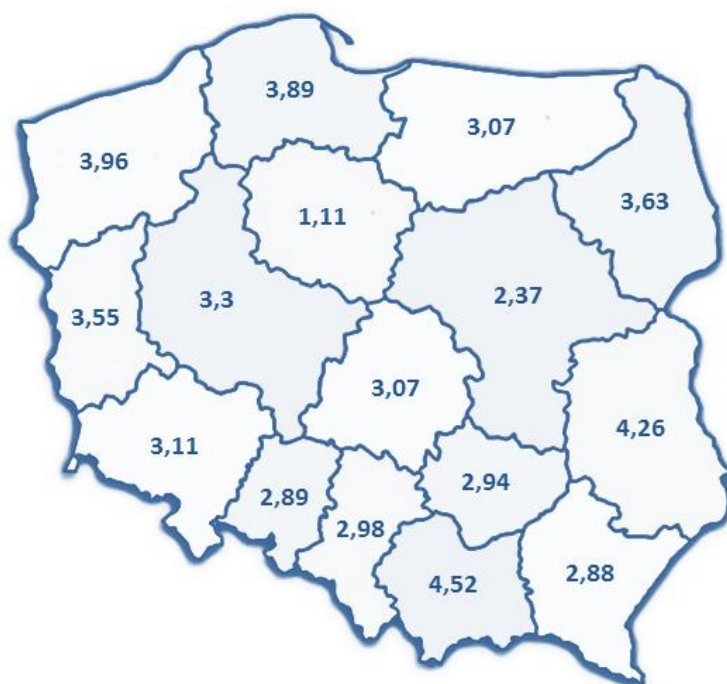
Situation of specialists on the labour market in 2014

As regards the labour market, 2014 turned out to be another good year for specialists. As it stems from the data available at Pracuj.pl., the number of job offers increased by almost 8% as compared with 2013. One of few things that remained unchanged is the five sectors publishing the greatest number of job advertisements, although significant growth may be also observed in the other areas. The sectors that recorded the highest activity include trade and sale, which are followed by finance, telecommunications and advanced technologies, heavy industry, construction industry and real property. The largest number of offers is directed to salespeople, Customer Service employees and bankers. Another tendency that may be observed is an increase in average pay rises for specialists, reaching in 2014 the level of 3.13% as compared with 2.46% in 2013. The pay increases expected for 2015 are even greater than last year and they are estimated to reach the level of ca. 3.44%.

Pay rises and remuneration in particular regions

The below figure present the distribution of pay rises given in the second half of 2014 in particular voivodeships. The greatest salary increases were perceived in Małopolskie Voivodeship, while the lowest pay rises were observed in Kujawsko-Pomorskie Voivodeship.

Draw 1. Mean value of rise for specialist in particular province



Source: Salary Raises Advisory Group TEST Human Resources, Autumn 2014

What were the medians of salaries of specialists from the sectors demonstrating the greatest activity on the labour market? Below there is information on remuneration of Sales Representatives, Technical Service Specialists, Financial Analysts and IT Specialists. All data was obtained from the Comprehensive Pay Report prepared by Advisory Group TEST Human Resources, Autumn 2014.

Table 1. Median of monthly total pay for specialist in 2014 depending on province

province position	kujawsko-pomorskie	mazowieckie	łódzkie	małopolskie	śląskie
Sales Representative	4559	4932	5541	4619	4900
Technical Service Specialist	3587	5522	4021	4904	5158
Finance Analyst	5000	5363	5040	5339	5601
IT Specialist	6746	7392	5882	4744	5651

Source: Salary Survey Advisory Group TEST Human Resources, Autumn 2014

The above-mentioned specialists receive the highest earnings in Mazowieckie Voivodeship, and next in Śląskie and Łódzkie Voivodeships. IT Specialists are paid best, and the difference between the highest and the lowest median of remuneration on this position reaches PLN 3,218 (the highest salary is paid in Mazowieckie Voivodeship, while the lowest salary is paid in Wielkopolskie Voivodeship). The position of a Salesperson is where one may observe the lowest dependence of salary on the region. The disproportion between medians reaches in this event PLN 1,578 (the highest salary is paid in Łódzkie Voivodeship, the lowers salary - in Lubelskie Voivodeship).

Pay rises and salaries in division into sectors

In 2014 the highest pay rises, observed in the IT sector, reached 6.51%, whereas the lowest increases were given to employees of companies operating in the construction industry - on the level of 1.77%. In 2013 the same sectors were on the first and last place as regards pay rises, but the values were slightly lower.

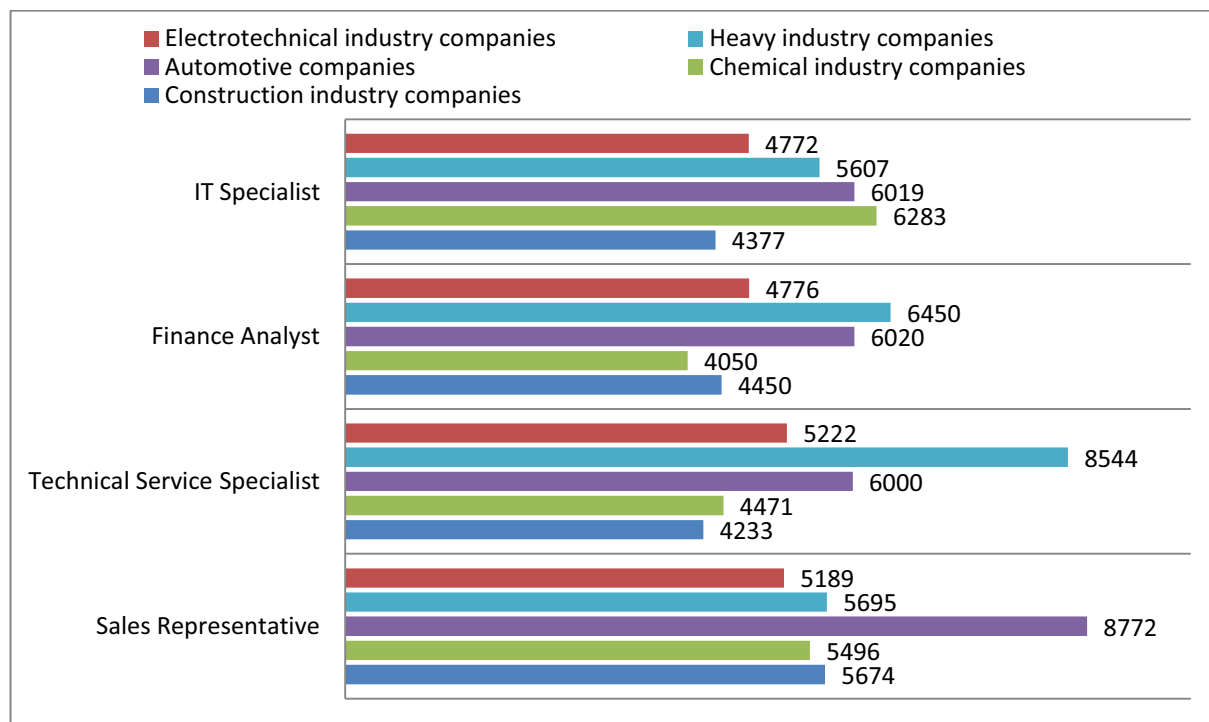
Table 2. Mean value of rise for specialist in 2014 and planned for 2015, depending on business.

Business	2014	2015
Construction industry companies	1,77%	3,46%
Electrotechnical industry companies	2,92%	2,79%
Chemical industry companies	3,43%	4,57%
Wood industry companies	1,77%	3,46%
Automotive companies	4,25%	3,92%
IT companies	6,51%	4,88%
Heavy industry companies	2,35%	2,57%

Source: Salary Raises Advisory Group TEST Human Resources, Autumn 2014

The automotive industry offers the highest average remuneration to the specialists mentioned below, the second highest salary is offered in the heavy industry and the metal industry, while the lowest pay is observed in the construction industry, where pay rises are also on the lowest level. The difference between the highest and the lowest average remuneration for specialist in division into sectors reaches PLN 2,019.

Figure 1. Median of monthly total pay for specialist in 2014 depending on business.

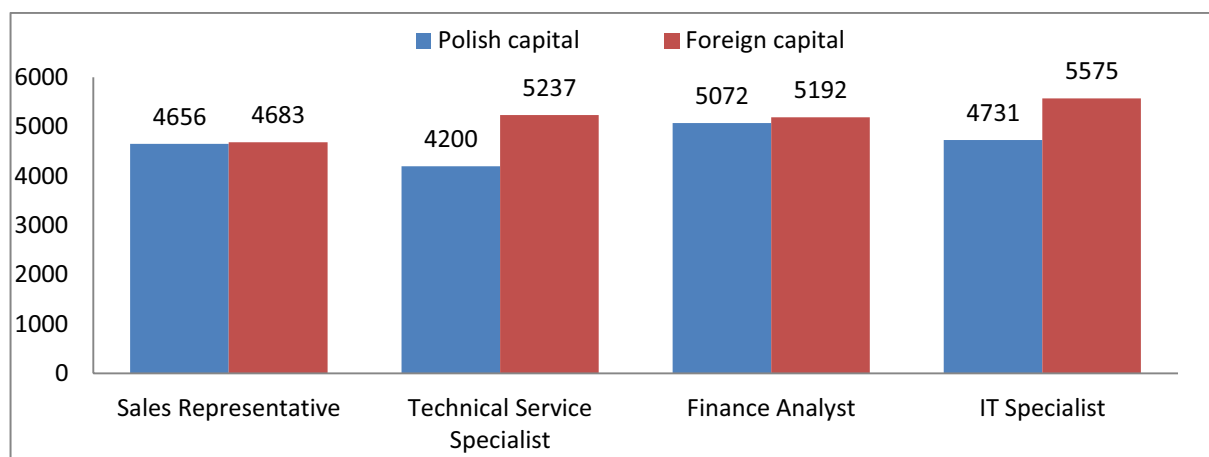


Source: Salary Survey Advisory Group TEST Human Resources, Autumn 2014

Pay rises and salaries in companies of different structure of capital origin

In 2014 the average value of pay rises given by companies with Polish and foreign capital reached 3.59% and 3.01%, respectively. The level of the increases planned for 2015 is to reach 2.93% in Polish companies and 3.56% in companies with foreign capital.

Figure 2. Median of monthly total pay for specialist in 2014 depending on structure of capital origin.



Source: Salary Survey Advisory Group TEST Human Resources, Autumn 2014

As regards the remuneration of specialists employed in companies with different structure of the capital origin, a conclusion may be drawn that foreign enterprises pay more than Polish companies. On selected positions the average difference in pay reaches PLN 507, while on the global level (for all specialists taken into account in the Pay Report Autumn 2014) - PLN 603. However, a significant difference may be perceived while analysing the above examples. Sales Representatives employed in foreign companies earn only 0.6% more than specialists employed on the same position in a Polish company, whereas a Technical Service Specialist may count on remuneration 24.7% higher than in Polish companies. The situation looks similar as regards the position of a Financial Analyst and an IT Specialist, with differences reaching the level of 2.4% and 17.8%, respectively.

Remuneration and pay rises in companies with different employment level

In 2014 the highest pay rises were granted by companies employing up to 100 employees, next companies with medium employment figures, i.e. from 100 to 500 people, and as regards the largest companies, the increase was the lowest. The table below presents the values of particular pay rises.

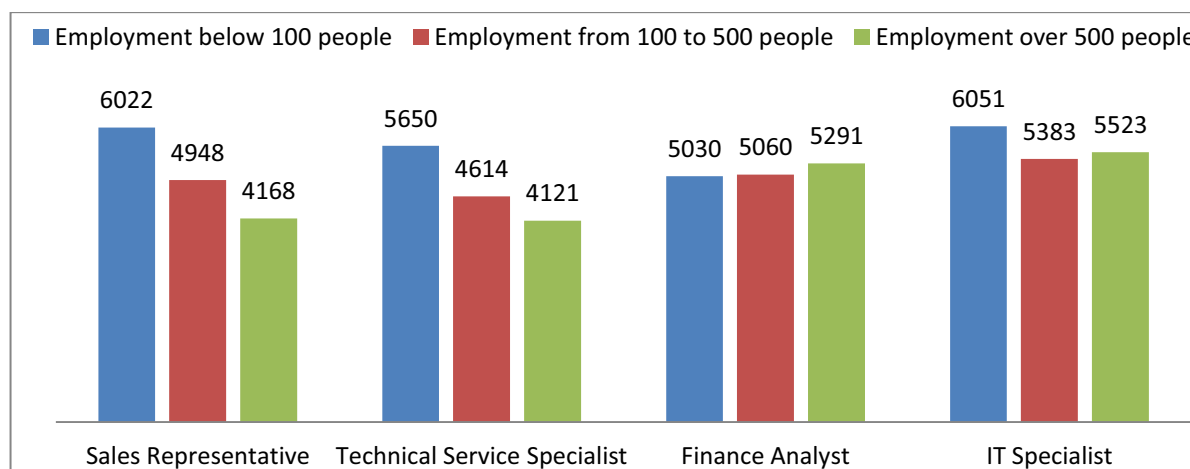
Table 3. Mean value of rise for specialist in 2014 and planned for 2015, depending on employment level.

Employment level	2014	2015
Small companies (below 100 people)	3,53%	3,93%
Middle companies (from 100 to 500 people)	3,18%	3,24%
Big companies (over 500 people)	2,69%	3,37%

Source: Salary Raises Advisory Group TEST Human Resources, Autumn 2014

The remuneration of specialists may be significantly different, depending on the company size. A position of a Sales Representative may serve as a good example here - the median of the total remuneration of a Sales Representative in companies employing up to 100 persons is higher by PLN 1,854 than the one observed in companies with more than 500 employees. A position that presents the lowest difference here is a Financial Analyst, as the highest remuneration on this position is offered in the largest companies, and the lowest remuneration in enterprises employing up to 100 people, with difference between the remuneration reaching 5%.

Figure 3. Median of monthly total pay for specialist in 2014 depending on employment level.



Source: Salary Survey Advisory Group TEST Human Resources, Autumn 2014

Fringe benefits

Fringe benefits start to play a more and more crucial role in the course of conducting negotiations with employees. There arise new ways of motivating employees and making them feel identified with the company. Fringe benefits offered most frequently in 2014 include external trainings - as many as 70% of specialists were offered an opportunity to improve their qualifications, extend knowledge and develop. The second most popular benefit is a subsidy to sports classes, as almost

50% of specialists were given such a bonus. The perk offered least frequently was a housing benefit. Below there are details regarding the other types of fringe benefits.

Table 4. Fringe benefits for specialist in 2014.

Working tools	%
Company car	7%
Mobile phone	33%
Laptop	29%
Extra payments due	
Extra payments towards commuting	5%
Extra payments towards culture and entertainment	32%
Extra payments towards education	43%
Medical care	40%
Housing benefit	1%
Extra payments towards meals	27%
Extra payments towards sports	48%
Vouchers	34%
Other benefits	
Additional insurance	38%
Long-term benefits	7%
External training courses	70%

Source: Salary Survey Advisory Group TEST Human Resources, Autumn 2014

As it stems from the analysis of data gathered in the Pay Report prepared by Advisory Group TEST Human Resources, Autumn 2014, 2014 was a fruitful year for specialist as regards many aspects. The above thesis is confirmed by significant pay rises granted on this level of management. Thanks to an increase in the number of job offers the labour market opens up more opportunities to those looking for a job. The tendency does not seem to change in the future, as the forecasts made by experts for the following year are equally promising.