

challenging projects for market leaders



SPECIALISTS' REMUNERATION ANALYSIS

*Prepared for the Polish Information
and Foreign Investment Agency*



Mission of Advisory Group TEST Human Resources

We provide our Clients with innovative HR solutions building on our professional expertise and experience.

The key to success are our outstanding and well-qualified employees, who implement every project with genuine commitment.



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Situation on the job market in 2016

As Poland continues to be attractive in terms of investment opportunities, more and more companies decide to establish their offices in our country, while existing entities experience dynamic growth, increasing their staff. The job environment is becoming increasingly more international, considerably affecting the situation on the specialists' job market. In the 1st quarter of 2016, the most sought-after specialists were employees in such areas as retail and sales and also customer service. There is also a continually growing need for employees from industries associated with production, including those related with heavy industry. This confirms that the Polish economy is doing well. An increase in the number of job offers for highly qualified specialists could also be observed in HR and finance. Among the offers for finance specialists, half of them is aimed at accountants. This comes as a result of continued growth of international companies from the SSC/BPO industry.

When it comes to the highest demand for specialists, the Mazowieckie Province dominates as usual. The next spots are claimed by the Dolnośląskie and Małopolskie Provinces. The highest growth in demand compared to the previous year was noted in the Pomorskie, Małopolskie and Śląskie Provinces. Analyzing the situation on the job market, it is also worth noting the unemployment level. According to studies conducted by the Central Statistical Office (GUS), the unemployment rate in March 2016 was 10.0% and was 1.5 percentage point lower compared to March 2015. The unemployment diversification also remained at the same level in terms of regions. The lowest unemployment level was noted in the Wielokopolskie, Śląskie, Małopolskie, Mazowieckie and Dolnośląskie Provinces.

As unemployment continues to fall, more and more people recognize the existence of the so-called employee's market – this term most certainly applies in the case of experts specializing in new technologies. It is no surprise that IT specialists and engineers found themselves not only at the top of the list of specialists most sought after by employers, but also in the group of experts for which demand in the 2nd

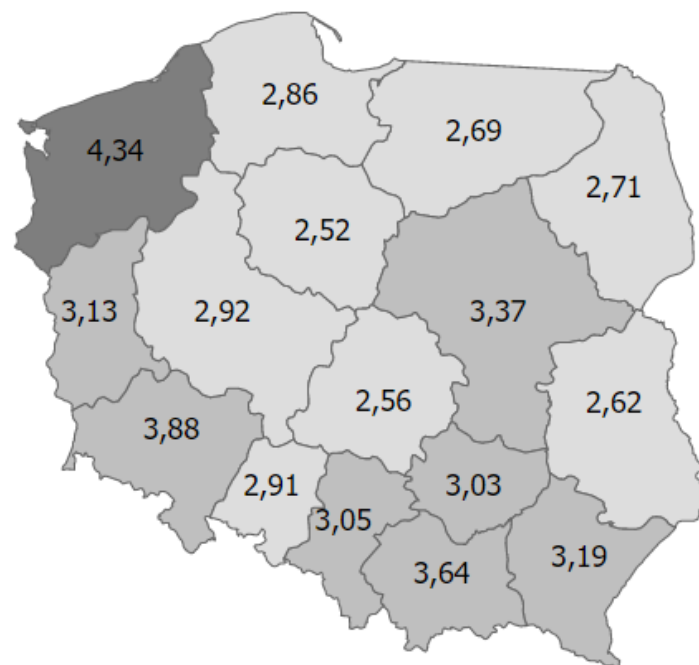


quarter grew significantly. Considering such promising data, it is hard not to look at the job market with optimism.

Raises in 2016

The data based on which the following analysis was made was collected during the spring edition of the Salary Survey, conducted by the Advisory Group TEST Human Resources. The below figure shows a breakdown of raises by region for the year 2016. The average growth of wages of specialists at the beginning of 2016 was 3.26% and was decidedly higher than in the second half of the previous year when it was 2.83%. Broken down by region, salary raises are spread more or less uniformly. The difference between the lowest and highest raises is 1.82 percentage point. Most companies awarded raises in the first half of the year. The months when they were awarded the most often were January and April.

Figure 1. Mean value of salary raises for specialists in 2016 (%).



Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.



Remunerations by region

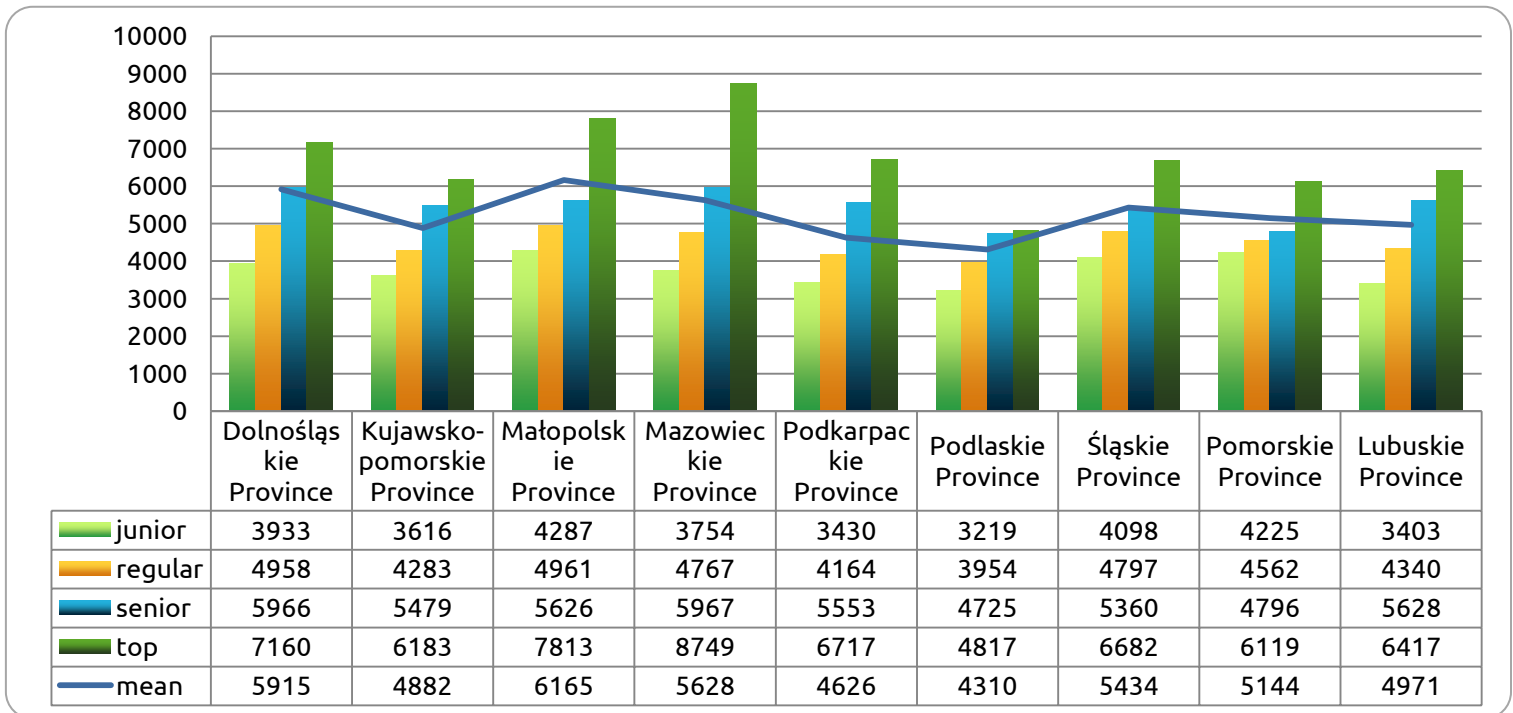
The following graph shows the remuneration medians for the four levels of specialists. Depending on the required level of knowledge, experience and independence, the following categories were distinguished: junior, regular, senior and top specialists. Specialists employed at companies located in the Małopolskie Province could expect the highest remunerations in the preceding year. Their remuneration in the first half of 2016 was on average PLN 6165. A close second was taken by the Dolnośląskie Province, with a mean of PLN 5915.

Mazowieckie Province continues to offer the biggest opportunities to top specialists. In this region, they can expect remunerations as high as PLN 8750. Companies in Warsaw have a particularly considerable impact on these salaries. Among specialists just starting out on their career path, they can expect the highest remuneration, more than PLN 4000, when employed at companies in the Małopolskie, Pomorskie and Śląskie Provinces.

Compared to the previous year, the highest growth of salaries was noted in the Dolnośląskie Province. It was PLN 806 on average. On the other hand, the lowest salaries were noted in the Podlaskie Province. This applies both to junior specialists, earning around PLN 3219, as well as those with more job experience who can expect remunerations at around PLN 4817.



Graph 1. Median of total monthly salary gross of specialists in the first half of 2016 depending on the province.



Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.

Remunerations by industry

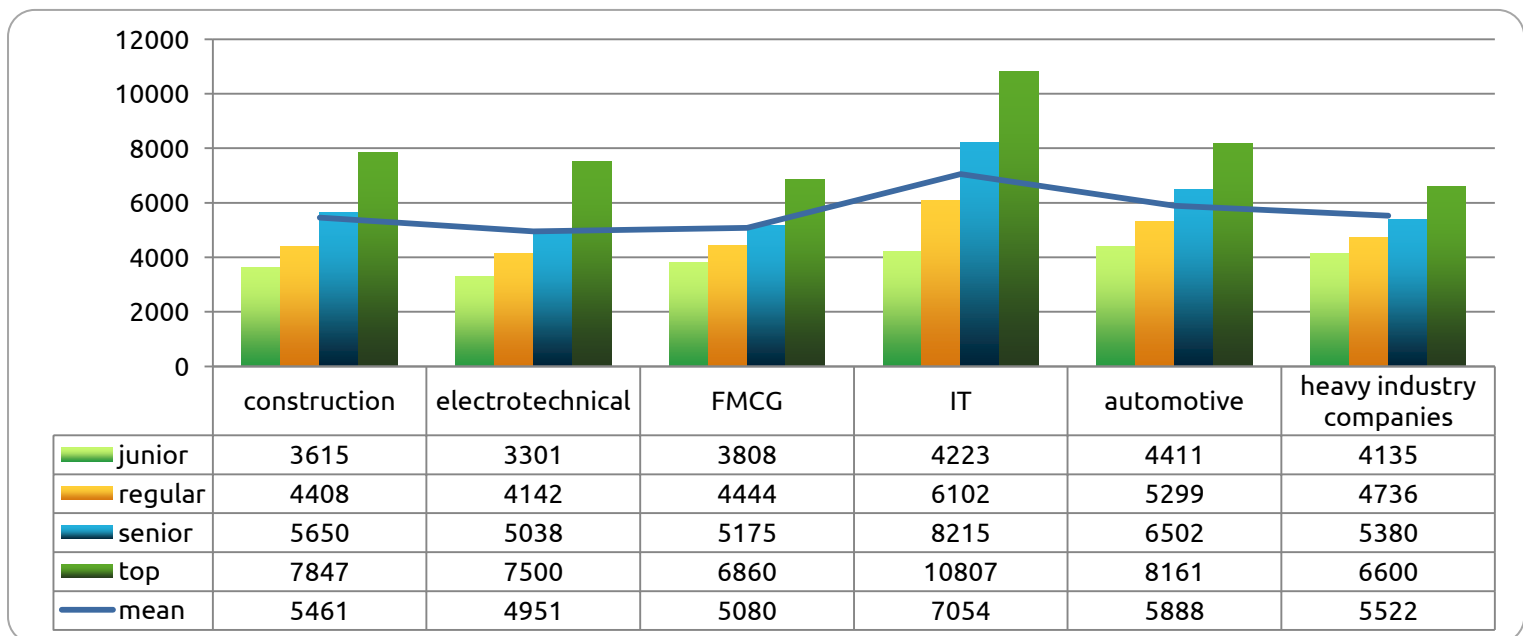
The following graph shows a breakdown of salaries of specialists depending on the industry in which they work. As usual, the highest remunerations were offered by the IT industry. In particular, it is worth noting the amount of remuneration for specialists at the highest level which increased as much as 27% compared to the data from the half of 2015 and is PLN 10807. This is related with the very intensive development of this industry, resulting in an increased demand for highly-qualified specialists in this field.

Specialists employed in the automotive industry could also expect high raises in the second half of the previous year. Junior specialists employed in this industry, with salaries at PLN 4411, were the best remunerated among those presented in the following breakdown by industry. One could expect a slightly lower salary at the



beginning of one’s career path in the heavy industry. However, in this case the salary growth dynamic was lower than in the case of the automotive industry. The lowest remuneration could be expected by specialists employed in the electrotechnical industry. In this case, one could expect a raise only when promoted to top specialist, and only then did their level of remuneration became comparable to that offered in other industries.

Graph 2. Median of total monthly salary gross of specialists in the first half of 2016 depending on the industry.

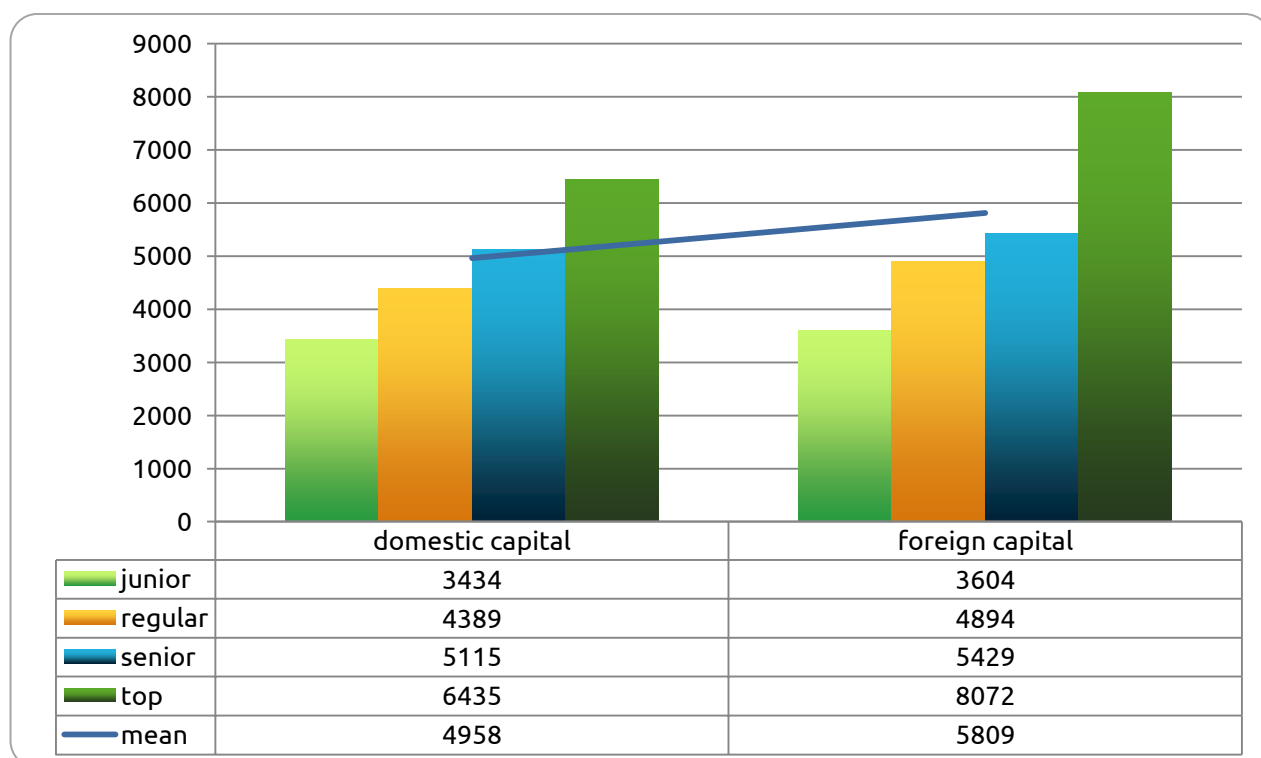


Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.

Remunerations at companies by origin of capital structure

In 2015, specialists employed at companies where foreign capital dominated received on average higher remuneration compared to Polish companies, as was the case in the preceding years. Even so, this difference decreased considerably compared to the second half of 2015. The situation was reversed in the case of best-qualified specialists. Even more than in the previous year, specialists employed at foreign companies received higher remuneration, leaving far behind experts from domestic companies. In the case of the latter, their mean remuneration decreased compared to the preceding year.

Graph 3. Median of total monthly salary gross of specialists in the first half of 2016 depending on the source of capital

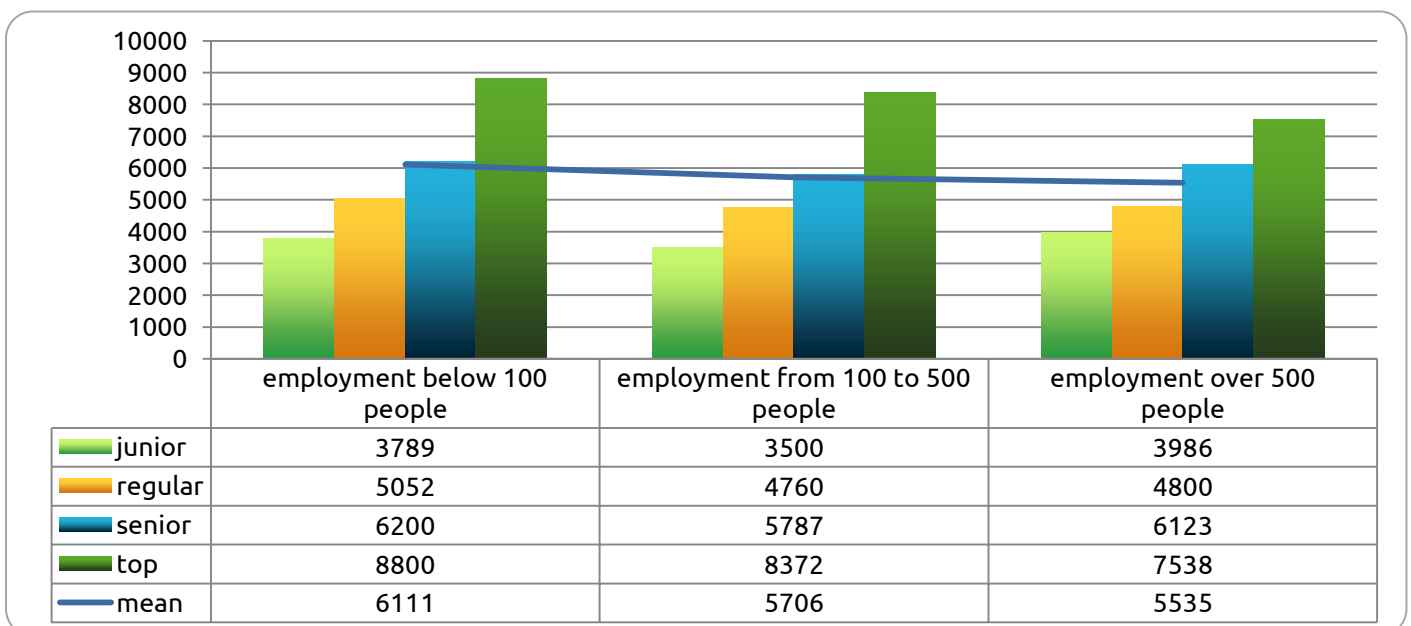


Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.

Remunerations at companies by staff size

Similarly to the previous year, specialists received the highest remuneration from small businesses – with staff size below 100 people. It was PLN 6111 on average. Even though specialists taking their first steps in the job market earned the most at big companies employing over 500 people, becoming a regular specialist meant their salaries became the lowest compared to medium and small companies. The growth of salaries following a promotion was about 20% at those companies, whereas in other companies this percentage was 30% on average. The highest growth in salaries compared to the previous year occurred in the case of companies employing from 100 to 500 people, by PLN 492 on average. The salary growth dynamic was considerably high in this case – promotion to a higher position came with a salary increase of around PLN 1027 when promoted to senior specialist. Promotion to the highest specialist position at a company came with a raise of PLN 2600.

Graph 4. Median of total monthly salary gross of specialists in the first half 2016 depending on level of employment.



Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.



Company benefits

No significant changes were noted on the benefits market compared to the previous year. Additional health care benefits and subsidies for sports activities are granted to more than half of employees in specialist positions. Compared to the previous years, subsidies for cultural and entertainment goals are granted more and more often. Within these subsidies, a growth of around 17 percentage points was observed. The following table shows information regarding the most often granted benefits.

Table 1. Company benefits granted to specialists in 2016.

<i>Work tools</i>	<i>Occurrence</i>
Company car or car benefit	7%
Mobile phone	29%
Laptop	25%
Eligible subsidies	
Subsidised commuting	4%
Subsidies for cultural and entertainment goals	42%
Educational subsidies - studies, MBA, language courses, etc.	48%
Additional health care benefits for employees	57%
Subsidised meals	29%
Sport activities subsidies	55%
Vouchers	29%
Other benefits	
Additional insurances	51%
Long-term benefits (share options, shares)	6%
External trainings	68%

Source: Salary Survey Advisory Group TEST Human Resources, edition Spring 2016.



Advisory Group TEST Human Resources

We are HR consultantes - partners of international corporations in Poland and major, Polish businesses. We commenced our operations in 1991 and since that time have implemented over **10,000 HR-related projects**, as a result of what we became the most experienced company in the trade.

Fields of our operation:



1 600	executive search projects successfully completed
laureate of	CEE Shared Services & Outsourcing Awards in Executive Search Firm of the Year (2015) category and 3 nominations in the recruitment agency category (2015, 2014, 2013)
over 10 000	employed staff
over 50	tailored recruitment campaigns for business service centres SSC/BPO and production plants
over 6 000	assessed managers and specialists under management audits and assessment centre
numerous systems implemented	for the assessment, salaries, satisfaction surveys, training and outplacement programs
original IT tools	to support HR processes
over 30 editions	of comprehensive, industry-specific and regional Salary Reports for over 650 companies

TEST initiatives



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professional web
service on salaries
based exclusively on
verified data provided
directly by businesses*



*first in Poland HR
conference for the
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and IT sectors - HR
Centres*



*we are the initiator and
coordinator of
Małopolska HR Club,
bringing together
managers and HR
specialists
with everyday
activity in business*



*since 2007,
we have been a
knowledge partner of
Business Service and IT
Centres supplement to
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*since 2005 original
postgraduate program
Human Resource
Management at WSE
in Krakow, with over
600 trained
participants*



*publications of reports
on the HR business,
including those from
Colliers International,
Polish Information and
Foreign Investment
Agency*

We are flexible. The solutions applied by us are client-specific, assuming a reasonable calculation of costs. As opposed to many companies rendering HR services, we undertake non-standard challenges.

That is why perhaps 80% of our clients come back to us!

We will be awaiting your call!



Salary Survey

RaportPlacowy.pl – the only publicly available salary data directly from companies

The largest Polish Salary Survey – data from **509 companies** from all over Poland.

Accurate **regional and industry** data (manufacturing, automotive, IT, etc.).

Over 360 positions divided into levels (junior/senior specialist, etc.).

Organisation **positions accurately matching** Survey positions to enable precise salary comparison.

Fast and intuitive data transfer **software for easy participation** in the survey.

Free General Industry Report for Survey participants.



Data are obtained directly from HR departments. With our in-house survey methodology, accurate position matching in the mapping process and data verification by TEST consultants, the information contained in the Salary Survey is reliable.

www.RaportPlacowy.pl



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