

PRWeek

SALARY
SURVEY
2008

Despite a persistent uncertainty about the economy and fear of a recession, PR salaries and compensation packages are holding steady as agencies, corporations, and nonprofits still seek talented professionals across various sectors

Bloom, Gross & Associates

A cautious optimism

► Though talks of a downturn loom over the industry, the current job market continues to provide a plethora of opportunities for PR practitioners in various settings and at a range of experience levels. *Aarti Shah* reports

The explosive job growth of the past few years has given way to a more moderate – but still vibrant – PR market. And even though the threat of a recession hangs over the economy, job offers and new account wins remain somewhat plentiful.

The 2008 *PRWeek/Bloom, Gross & Associates (BGA) Salary Survey* shows salaries are holding steady for the most part. However, the remarkable hiring boom of the past few years could be waning – and firms are subsequently now treading with more caution.

But there is no need to panic, says Karen Bloom, principal at BGA. “I would say it went from a year of fairly high demand to just being, perhaps, a more normal demand level,” she says.

Even so, a mixed picture emerges and certain practice areas and industries are booming while others are tightening budgets. Tom Womack, a marketing director in Dallas for a leading healthcare company, joined it one year ago hoping to nab a six-figure salary.

“They low-balled the first time and I countered twice,” he recalls. Though he was able to raise the

base salary by \$11,000 and add a \$4,000 signing bonus, he says the figure only “comes close” to the six figures he wanted when he factors in the annual company and performance-based bonus.

This year’s survey polled 994 professionals across agency, corporate, nonprofit, government, and education work settings. The results show that the median annual salary base for corporate employees is \$97,500, while respondents in PR agencies report a median base salary of \$75,400 annually. The median annual salary base for all respondents is \$82,400. This number is a slight bump from \$80,930 last year, even though respondents were slightly more inexperienced this year. This increase reflects last year’s hot job market, during which most respondents received a sizable increase; respondents reported a median salary increase of \$5,195 in the past year.

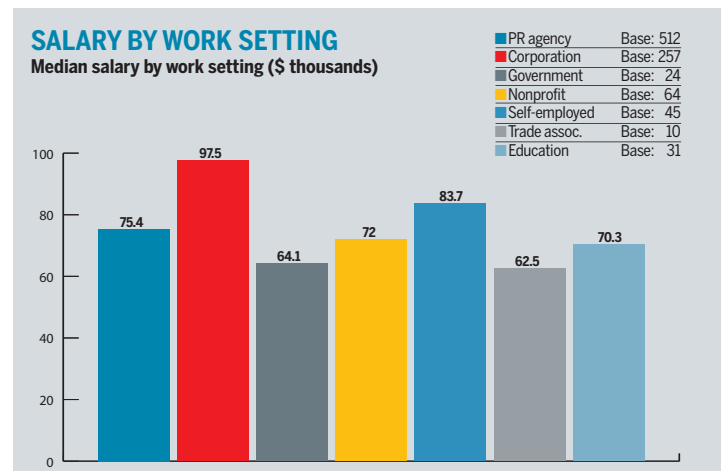
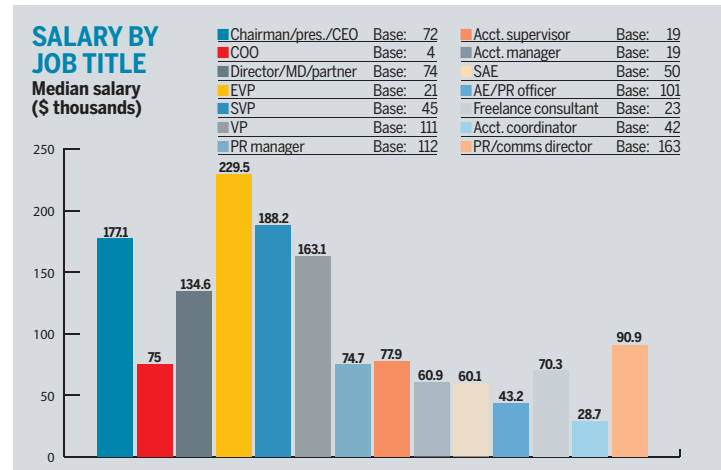
Perhaps consequently, the number of respondents who report salaries in the range of \$100,000 to \$249,000 rose to 32.2% this year (up from 31.6%) while the percentage of respondents making between \$75,000-\$99,999

dipped from 18.5% last year to 17.1%. Those with salaries in the lowest salary ranges have remained somewhat constant from last year. This year 6.5% report making less than \$35,000 and 15.4% cite salaries between \$35,000-\$49,999.

“People are aware that the salaries at the lower levels have driven up,” Bloom says. “Some [PR pros] with four to six years’ experience have excelled. In a way, that has allowed them to make some pretty fast moves that have thrown their salaries into a pretty high range.”

Susan Butenhoff, president and CEO of Access Communications, says last year account directors and VP-level candidates could demand bold salaries, but this year some of that clout has diminished as some firms are not hiring as quickly.

“We are hiring at the account supervisor, VP, and account director position,” she says. “But we are not willing to play financial chicken. This is not because of the economy, but because we have a real sense of what is right of the market. We’re not willing to reward those who are the last ones in with a highest salary base.”



Additionally, candidates seeking these posts are more willing to trade a few thousand dollars for increased job security since financial experts are predicting some economic uncertainty, she says. “[They] aren’t going for quick dollars because they recognize in this market it’s the last one in, first one out,” Butenhoff explains.

RECESSION TALK

Though experts are speculating about an economic downturn this year, survey results indicate only a small portion of PR pros are feeling the impact of a possible recession. About 8.6% of respondents from all work environments strongly agree that their jobs are in jeopardy because of economic conditions. Yet 38.7% strongly agree with the statement that they feel more pressure to perform at work than they did 12 months ago.

But a market that goes from very high to normal growth isn’t necessarily troubled, Bloom notes.

“You have to be careful you don’t overreact to it and try to overcorrect against it,” she adds. “We see it still being slow for the first quarter of 2008. Having said that, every week that we get into this year, we have more calls for job creation taking place and people need[ing] assistance to fill positions.”

A strong demand continues for the account supervisor positions and a “fair amount” of competition for senior-level “rainmak-

er” talent, such as heads of a group or practice area persists, she notes.

“It doesn’t feel like there is a lot of frantic energy out there on issues surrounding massive layoffs or tremendous scaleback in hiring,” Bloom adds.

Julie Biber, EVP and US director of recruitment at Edelman, says what hasn’t changed from last year is the demand for talent at the account supervisor and senior account supervisor level.

“We’re not seeing people put the brakes on,” she says. “We are being very cautiously optimistic about the future. Our clients are still going full force, but who’s to say in six months what will happen.”

She says Edelman has placed more than 500 people in posts throughout the firm over the past year. “But it’s really too early to say whether hiring is going to take a shift,” she notes. “I’m still getting e-mails left and right from other agencies asking, ‘Do you know anyone [for this job]?’ The momentum is still like it was a year ago.”

Dushka Zapata, EVP at Ogilvy PR Worldwide and head of its California tech practice, says usually when talk of a recession surfaces, agencies have already felt the squeeze with lost revenues and clients. But this isn’t the case amid this year’s slowdown speculation.

“We are winning business,” Zapata notes. “People are not reducing budgets. I’m not seeing the correlation between what I’m reading in the newspapers and what I’m feeling. Our growth hasn’t stopped. Of course I worry that it will, but it hasn’t.”

A recession would likely first hit the financial and banking industries, which would impact PR jobs in those sectors. But the memory of the devastating tech bubble earlier this decade has prompted several tech firms to take precautions.

“It’s not a hot market anymore where candidates can ask for anything they want,” says Donna Sokolsky, founder and senior MD of SparkPR. “But there is not a cause for panic. Our greatest con-

THE RESPONDENTS

Number of people taking the survey

994

Gender

33.9% male; 66.1% female

Work setting

51.6% work in a PR or IR agency; 25.9% are corporate; 6.4% nonprofit; 4.5% are self-employed; and 3.1% are in education

Age

The median age of respondents was 35.7, with the largest percentage of respondents in the 26-30 bracket

Ethnicity

86.9% White/Caucasian; 4.8% Hispanic; 4.8% African American; 3.7% Asian American; 0.8% Other

Education

In undergraduate degrees, 39.7% majored in PR; 19.7% majored in journalism; and 17% majored in liberal arts. More than a quarter – 26.2% – have a master’s degree, with 10.2% of those in PR or communications

Experience

Respondents had an average of 10.1 years of experience

Work-life balance

Respondents work an average of 50 hours per week and get 16.2 days’ vacation a year

cern is to hire carefully and not forward hire too much.”

Even so, a slew of new business has prompted Sokolsky to look for job candidates at all levels.

Access’ Butenhoff has also reported a stream of new business in 2008, including \$1 million in new accounts. Despite the good fortune, she is scrutinizing candidates more closely before making a hire.

“We are being very selective about the people we add,” she says. This is to ensure the firm has a strong base if the downturn takes hold and account teams must pitch for new business or handle other factors that emerge during unsteady economic times.

WORK-LIFE BALANCE

Even in an unsteady economy, balancing work schedules with personal lives continues to be a priority for PR pros. With nearly 47% of respondents citing flexible hours as very important, work-life balance is one of the most attractive non-monetary perks an employer can offer.

“Everybody goes to work for the paycheck,” says Edelman’s Biber. “But I’m not having a lot of squabbles over money. [Candidates are] looking at all the other factors, above and beyond compensation.”

Job candidates are also seeking flexibility with their schedule, the chance to work on accounts of their choice, opportunities to do cutting-edge work, and joining a firm that shares their work ethic and culture, she adds.

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But not all of these non-monetary perks are equally valuable to every candidate. For example, the survey indicates 52.1% of women view flexible hours as very important, while only 35.9% of men view them in that regard.

“[Junior-level candidates are] really looking for a lot of the work-life balance that a lot of Gen X and boomers are looking for after working somewhere for 10 to 15 years,” Biber says. “Sometimes they need a dose of reality. We want to provide work-life balance, but there is also ‘roll your sleeves up, get the job done, and then you’ll [get] some of these perks.’”

Erin Foster, director of worldwide communications for the consumer digital group at Kodak, says more candidates are asking for laptops, mobile devices, and extra vacation time as tools to achieve work-life balance while also meeting productivity expectations.

The survey shows the median hours worked across all PR settings is 50 hours, with 18.6% of respondents reporting working more than 60 hours per week. To ease the demanding work schedules, 66.9% of respondents rank personal days as being very important. Additionally, respondents report 16.1 annual vacation days in 2008, up from 15.7 last year.

COMPENSATION DISPARITY

Despite salary and benefits increases in the last year, a striking compensation disparity persists between men and women. For example, the median income for men with five or more years’ experience is \$143,700, but for women at the same experience level it is \$91,800. At less than five years’ experience, the median salary for men (\$48,000) and women (\$45,500) might appear to be a small difference, but it ultimately affects one’s long-term earning potential, says Bloom.

“It just compounds,” she says. “Women are uncomfortable negotiating; we see that all the time. We also see women who are comfortable negotiating are often perceived as being much more aggressive, in a negative way.”

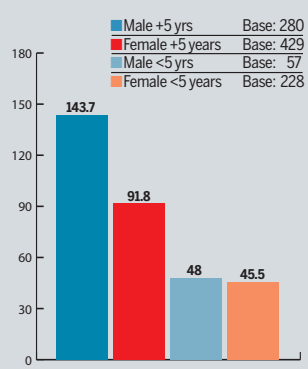
Additionally, the median salary increase for men with more than five years’ experience was \$5,284 this year, but for women with the same experience, it was \$5,038.

The discrepancy is even greater at lower experience levels, typically before issues such as maternity leave become a factor. For example, the median salary increase for men with less than five years’ experience was \$5,751, but for women with less than five years’ experience it was \$5,177.

This gap extends to benefits other

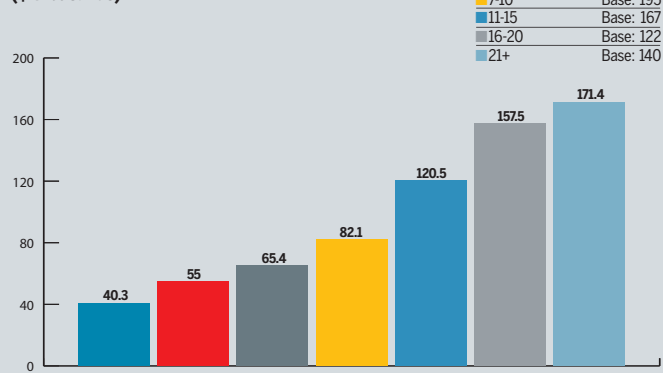
SALARY BY GENDER

Median salary by gender and years of experience (\$ thousands)

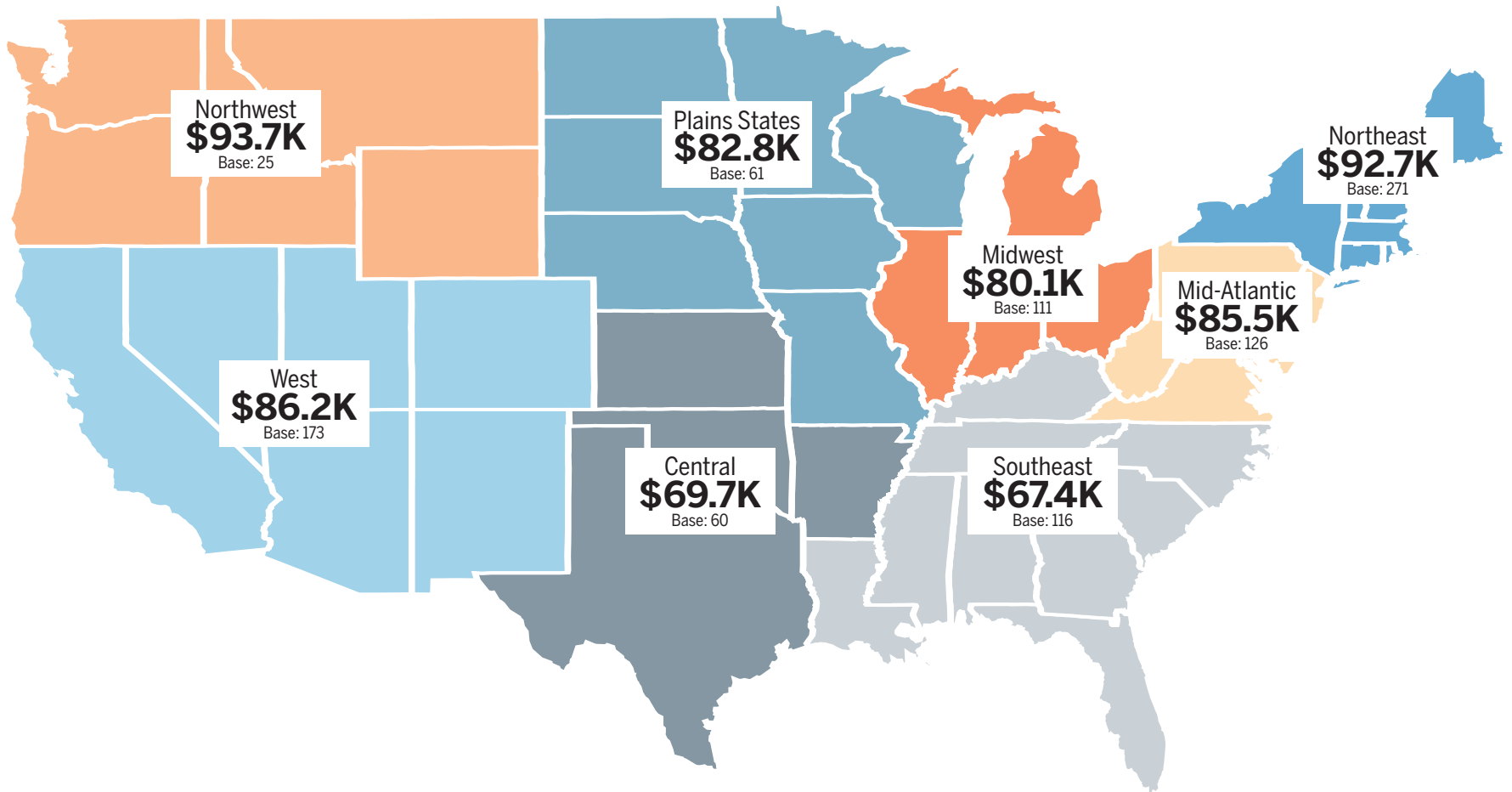


SALARY BY EXPERIENCE

Median salary by years of experience (\$ thousands)



MEDIAN SALARY BY REGION



than salary. Survey results show that the median vacation for men with more than five years' experience was 18.8 days a year, for women in the same category, it was only 16.9 days.

"I do think the issue is something that is never related to intention of the company or the agency to purposely assign less money to the women," Bloom adds. "Women – just in general – don't have the tendency to negotiate very well and push for a higher salary."

To some extent, women do contribute to the skewed compensation rewards. For example, when asked what would be the minimum pay increase that would make them consider leaving their jobs, the median response for men is 20%, for women 16.9%. To that point, 24.6% of men strongly agree that they aggressively negotiated their salary, as opposed to 19% of women.

ON THE MOVE

The willingness to relocate for a job increased slightly this year, with 44.6% of respondents strongly willing to relocate, up from 42.4% last year. PR pros working in the Southeast were most likely to consider moving for a job (52.6%), followed by those in the Central region (50%). Those least likely to relocate are pros in the Northeast (38.7%), Plains States (39.3%), and Northwest (40%).

"It felt for a while we were dealing with a population of younger to mid-level PR pros who were pretty set in their geographical locations and not all that keen to relocate," Bloom says. "If the

figures are showing people are bit more open, that's good."

But a more foreboding interpretation of the data points to a slowing job market, in which respondents – especially those in smaller markets – are expanding their options for job security.

"If you're in a small market [with] a limit to your opportunities," Bloom notes, "you'll be inclined to look at the bigger market."

Jim Delulio, president of recruitment firm PR Talent, says some markets that are deemed PR hotbeds struggle to lure talent. "There continues to be a strong demand in the Bay Area," he says. "But it's [hard] to get people to relocate there because of cost of living."

Edelman's Biber says when there are rumblings of an economic slowdown, employees feel most comfortable relocating to a firm's

headquarters. Even so, she is finding that candidates are willing to move for "the perfect job" that also suits their family makeup.

Additionally, there is a continued upward trend of employees switching jobs, a trend that has been going on since the economic boom in 2006. This year, about 23% of respondents had switched employers in the last 12 months, compared with 19% the previous year, while 27.3% are actively seeking new employment in PR, and 25.3% expect to switch employers in the next 12 months.

Eve Dryer, principal/president of Vox Medica, says the healthcare sector has shown some signs of a slowdown. Though she would still create a post for a remarkable candidate, she is wary to hire too eagerly after some healthcare companies cut marketing budgets.

"For the first half of this year, even though we have a few openings that we are actively filling, we might be more cautious – maybe do some supplementing with freelancers – until we know our budget is secured for this year," she says.

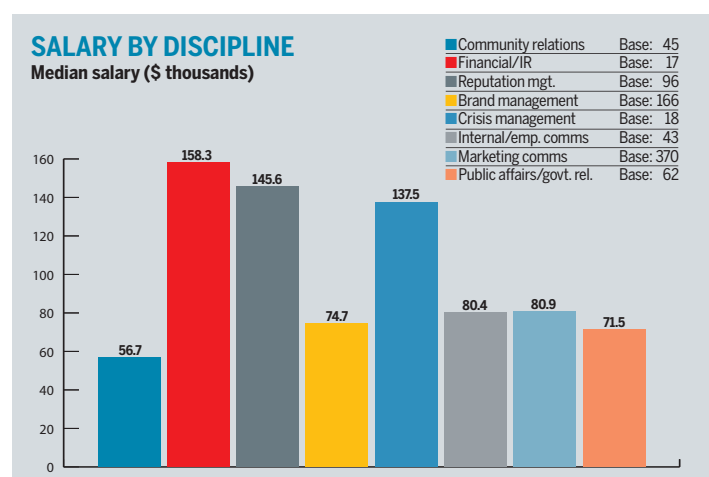
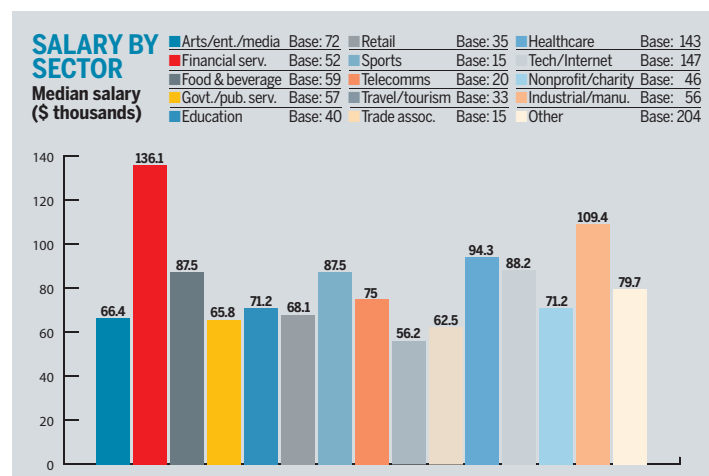
Kym White, VP of corporate communications at Baxter International, says its communications function has grown over the past year, adding that the new hires have been at the director, manager, and senior manager level. This year, she expects the communications department will continue to add positions that can have business impact.

"Our growth has not been in internal communications," she says. "It's been to support the business to ultimately drive revenue."



"Candidates are looking at all other factors, above and beyond compensation"

– Julie Biber, EVP and US director of recruitment Edelman





“[For] a solid healthcare [AE], account supervisor, it’s a seller’s market”

– John Seng, president Spectrum Science



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– Karen Bloom, principal Bloom, Gross & Associates

CORPORATE/AGENCY SWITCH

Biber says company shakeups like Yahoo’s layoffs have prompted PR pros on the corporate side to keep their eyes open for new opportunities at agencies.

“I am finding that with the economy being a little shaky, people are coming forward that weren’t as open minded a year ago [about changing jobs],” she says.

In fact, the survey shows 51.2% of corporate employees are interested in seeking employment in an agency setting, while 69.9% of those in an agency setting are interested in working in a corporate PR environment.

“After [a PR pro] has been at an agency for five to seven years, the client side starts to feel a bit more attractive because they feel like they can control their day more,” says PR Talent’s Delulio. “They can be the client, they can manage the agency. They foresee higher salaries on the client [side] and the ability to focus within a single industry.”

Yet in this business climate, job seekers should not look at moving in-house as a chance to sign off major tasks to the agency.

“Those days are long gone – it’s a very outdated perception that people work harder at agencies,” says Baxter’s White. “[For in-house teams], the clients are your executives. And like agencies, all functions in a corporation are fighting for resources.”

Kodak’s Foster says working for a global corporation puts added pressure on in-house positions. And as more companies expand into the global market, corporate teams will feel increased pressure to be available around the clock.

“Anywhere you go, if you’re a true partner with your agency, you are going to be working when they’re working,” she says. “You don’t turn it off if you’re a global company. Yes, I’m sure there are jobs within a corporate structure that have more stable hours, but not for global marketing.”

Foster adds that while Kodak’s communications team was not in a hiring mode in 2007, it is in 2008. And despite the company-wide reorganization last year, the department added three people. “While last year was placing people in jobs that existed, this year is about adding new posts,” she says.

FINDING TALENT

According to survey results, nearly 63% of respondents had been contacted by a headhunter in the last 12 months, indicating a market where demand continues to be strong for some practice areas.

Sara Hafele, HR manager at Text 100, says the war for talent is especially strong in the tech sector because of the number of firms that specialize in that area.

“The least supply is for San Francisco at the mid to senior levels,” she adds.

BENEFITS

Benefits included in respondents’ salary package (% respondents)

Medical plan	89.4
Dental plan	81.2
401K	78.5
Personal days	67.9
Performance-related bonus	50.9
Paid maternity/paternity leave	39.0
Flex time	33.2
Summer Fridays	28.1
Profit sharing	22.6
Health club membership	16.3
Share options	14.8
Other – please describe	12.2
Other – bonus – please describe	9.9
Company car	7.7
Guaranteed bonus	7.3

Base: 994

VALUED BENEFITS

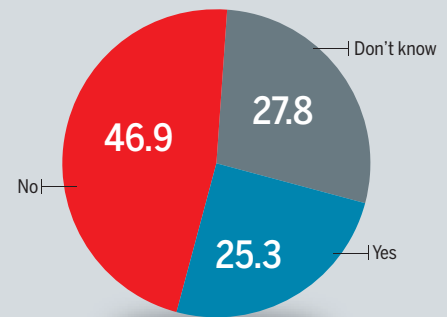
Which benefits do you consider to be “very important” (% respondents)

Medical plan	81.1
401K	67.1
Dental plan	56.1
Performance-related bonus	50.5
Personal days	44.7
Paid maternity/paternity leave	29.4
Flex time	28.4
Guaranteed bonus	23.5
Profit sharing	21.0
Share options	15.7
Summer Fridays	12.9
Health club membership	8.0
Company car	4.9

Base: 994

JOB HUNTING

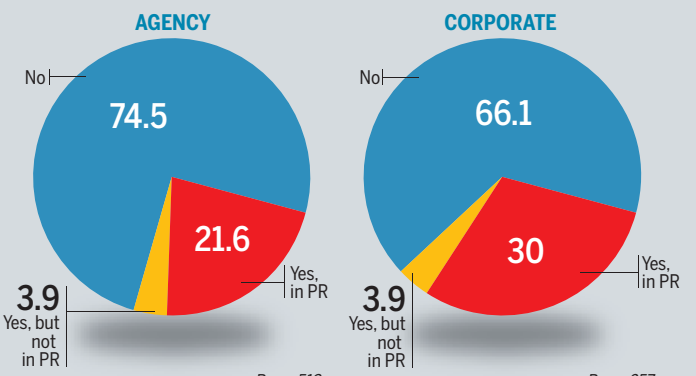
Are you likely to change jobs in the next 12 months?



Base: 994

JOB HUNTING

Are you currently job seeking?

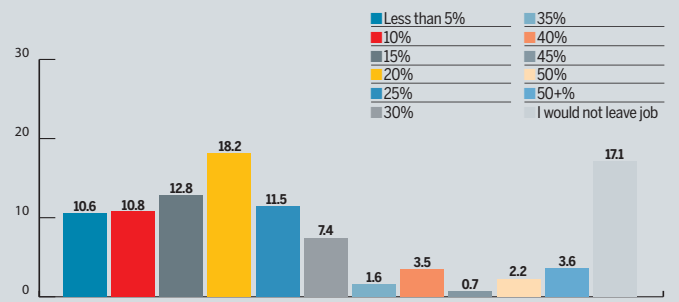


Base: 513

Base: 257

FINANCIAL MOTIVATION

What is the minimum pay raise that would make you leave your current job? (% respondents)



Base: 994

But the demand for the mid-level is not unique to the tech sector of San Francisco. The PR field has yet to recover from the flight from industry during the last recession. Yet 24.9% of those surveyed have worked for the same employer for five to nine years, and nearly 30% of respondents have worked in the industry for five to 10 years, perhaps offering some hope that the mid-level pool is increasing.

John Seng, president of Spectrum Science, says the demand for mid-level healthcare PR pros remains as tight as ever.

“If you are a solid healthcare account executive or account supervisor, it’s a seller’s market,” he says.

Janet Van Rysselberghe, staffing manager at Waggener Edstrom, concurs that the market is “very competitive” at the mid- to high-experience range. While the agency implements an extensive training program for new hires, it does not accelerate career tracks for junior pros to help fill the mid-level gap.

“There is certainly a desire and awareness to really provide the strong foundation so [young PR pros] can grow and advance,” she says. “But we also want to make sure we are supporting professionals for success and never fast-track them so much so they are put in a difficult situation where they can’t meet expectations.”

Brian Levine, VP of corporate communications at Office Depot, points out that finding candidates who are both bilingual and expe-

51.2% of corporate PR pros report that they’re interested in seeking a job in an agency setting

rienced with diverse communities and the global marketplace continues to be a challenge. He also looks for candidates who understand business strategy and product marketing, in addition to agency training.

“It’s one thing to have certain messages in press releases,” Levine notes. “But it’s more impactful for a company to have aligned all its communications.”

One agency source questioned whether the continued demand for mid-level talent is another sign of agency executives preparing for a recession mentality by hiring experienced candidates for the lower mid-range salary rather than senior-level salaries.

According to the survey results, the median salary for a senior account executive and account manager is approximately \$60,000 for each, rising to \$74,700 and \$77,999, respectively for PR manager and account supervisor. Yet the median figures leaps to \$163,100 for VP positions and \$188,200 for SVP slots.

MEETING DEMANDS

Roughly the same numbers (about 15%) of respondents work primarily in the tech or the healthcare sector. Yet technology's reputation as a dynamic practice has helped fuel its recruiting efforts, while locating strong healthcare candidates continues to be difficult. The strong demand for healthcare PR pros has pushed the median income for those working in healthcare/pharmaceuticals to \$94,300, topped only by those

working in financial services (\$136,100 median salary).

"We are making a more concerted effort to hire out of the box," Vox Medica's Dryer notes. "We'll look at someone not from the agency world, but who understands healthcare or pharma."

Some key sectors where she recruits candidates are government agencies, managed care companies, politics, and advocacy.

Shonali Burke, VP of media and communications for the ASPCA,

has also noticed a continued trend for candidates to apply for non-profit jobs – even when they may exceed the job qualifications.

"There is a huge desire for people to do [jobs] that make them feel good," she notes, adding that many résumés are from overqualified pros with agency and marketing backgrounds.

"If we ask for five to seven years of experience, I will look at someone with 8 to 10 years, but not at someone with 15 to 20 years of experience," she says. "[These candidates] should find something more in line with what they could contribute because overqualified people often don't last long at a position or they are unhappy." Additionally, Burke notes, candidates – perhaps overzealous to switch gears into the nonprofit sector – are applying for jobs that do not necessarily match their interests.

The survey shows 34.5% of respondents interested in working in a PR setting different from their own would like to work for a nonprofit, despite the perception that nonprofit PR pros earn a lower salary. Those working in the nonprofit sector had a median annual salary of \$71,200, lower than other practice areas, but within the same bracket by several thousand dollars as those working in entertainment, education, travel and tourism, trade associations, government/public services, and retail.

"We are very upfront about the salaries being lower than agencies," she says. "But it always amazes me how much people are willing to do that."

But being inundated with responses from disparate career tracks also hinders the organization's ability to find candidates who would be an organizational fit.

"When I posted a job for internal communications, I got a lot of PR and marketing résumés," Burke recalls. "I ask [these candidates], 'Do you understand that you won't talk to the media?' PR and marketing experience is good, but show that you are comfortable with the internal communications."

The possible economic slowdown hasn't worried Burke, because the nonprofit sector already operates on lean staffs, so there are not as many positions to cut unless the organization stumbles into a dire situation.

"PR must have a measurement system in place," she says, "so you can prove that communications for a nonprofit is a necessity."

PR DEGREES ABOUND

Despite the varied backgrounds that are emerging in the field, an increasing number of job candidates are majoring in PR in college as more universities are offering the degree as a major. Nearly 40% of respondents were PR majors, followed by 19.2% journalism

majors, and 6.2% business majors.

"I think it's more of a reflection of the arrival of PR and that it has become so much more of a respected career choice and profession," Bloom says, "and rightfully so. I think people are saying a journalism degree just isn't going to cut it anymore."

She adds that journalism degrees teach students how to become clear writers and understand media relations. But today's communications is more multi-faceted. As such, PR degrees give candidates a better grasp of the business and its various sectors.

"That these programs have sprung up is really important," she adds. "[It] really lends much more credibility to the training and education of people before they come into the field."

But Edelman's Biber says the agency does not put a premium on junior-level candidates with PR degrees, but puts greatest emphasis on the candidate's internship experience, as well as the quality of the university and their grades.

"We do look for individuals with a PR background," says WE's Van Rysselberghe. "But we also look for more broader and varied backgrounds. We are attracted to candidates with a wide variety of backgrounds. That allows us to better counsel our clients."

Overall, a conflicting portrait surfaces surrounding hiring trends this year. For example, Bloom acknowledges some agencies are reporting clients are scaling back, resulting in lost accounts. Still it is too soon to know the impact economic conditions will have on the industry. And this might not be clear until mid-year, she adds.

"But it isn't anything that makes me anxious or concerned at this stage in the game," she notes. "I'm mildly optimistic that we will not see a bad recession impact the PR field this year, but only time will tell." ■

The PRWeek Salary survey on assessing attitudes and ideas of PR pros, specifically regarding their compensation packages and other employment related issues was conducted by PRWeek and Millward Brown.

E-mail notification was sent to approximately 19,833 PR pros and a link to the survey was distributed to members of PRWeek's Facebook.com group, Young-PRPros.com, and included on the PRWeek Web site.

A total of 994 respondents completed the survey online between January 2-23, 2008. Results aren't weighted. Based on the sample size, the results are statistically tested at a confidence level of 90%.

This report offers selected highlights only. More complete survey results – with raw data – are available in Excel format for \$150. Please contact Beth Krietsch at beth.krietsch@prweek.com.



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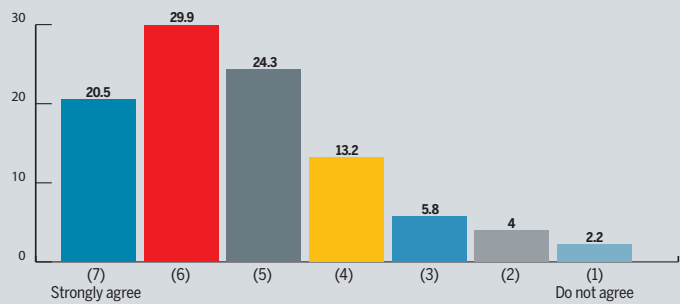


"It's more impactful for a company to have aligned all its comms"

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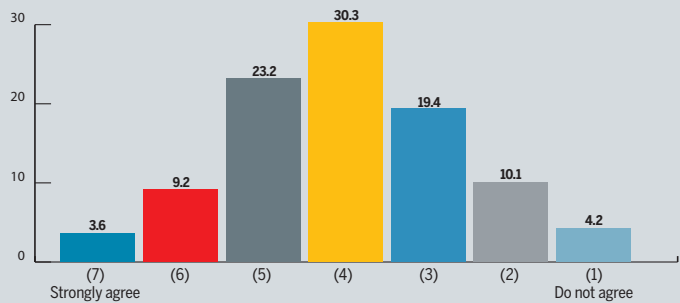
JOB REWARDS

To what extent do you agree with the statement, "Overall, I find my job rewarding"?



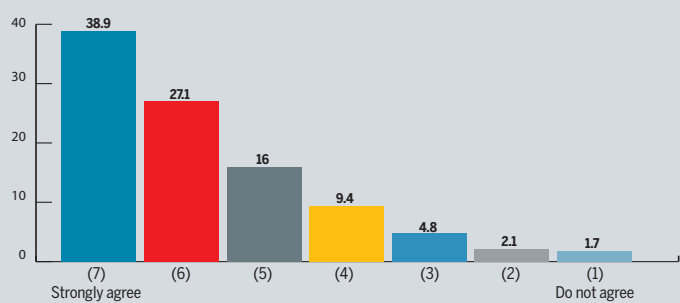
RESPECT OF PROFESSION

To what extent do you agree with the statement, "I believe the PR profession is highly respected"?



COMMITMENT TO PR CAREER

To what extent do you agree with the statement, "I am committed to a career in PR/communications"?



COMPETITIVENESS OF INDUSTRY

To what extent do you agree with the statement, "I believe PR is a very competitive profession"?

