



# ERI UPDATE

## NOTES TO SUBSCRIBERS

### WINDOWS® EDITIONS

All Assessor Series® subscribers will receive *beta test* editions of ERI's first Windows® program, the **Relocation Assessor**®, next month (August). ERI plans to release Windows® versions of both the **Geographic** and **Salary Assessors**® by mid 1997. If you have the time, we would very much appreciate your review, testing, and comments regarding this new Windows® application (its features, menus, and reports programming will apply to all of the new Assessor Series® programs).

This new Windows® program should run within any Windows® 3.x or Windows®95 environment. Again, **Salary** and **Geographic Assessor Series**® and **Reference** subscribers' comments are welcomed (as we are planning similar features in all programs). "Installation" will be required, as running **ERIRA** from a diskette is an "old-fashioned" DOS feature.

Two City Cost of Living Comparison	Base City St Andrews, South Carolina	Destination City Aberdeen, Maryland	Differentials U.S. Dollar
Consumables	15,829	17,868	2,039
Transportation	5,958	6,543	585
Health Services	1,888	2,841	953
Housing/Utilities/Prop Tax	16,128	29,636	13,508
Income/Personal Taxes	21,548	18,627	-2,921
Miscellaneous	10,671	10,671	0
<b>Total Cost of Living</b>	<b>72,000</b>	<b>85,385</b>	<b>13,385</b>
Cost % of U.S. Average	97.9 %	116.0 %	118.6 %
Estimated Home Value	138,688	210,290	71,602

### Medians vs. Means

The April 1996 **ERI Update** reported the U.S. Department of Labor's exclusion of any measurement other than means. ERI is still unaware of the reason for the DOL's absolute and strict requirement that the "use of median ... is forbidden". Although now formally adopted only for alien certification issues, the potential impact on Federal contractors could be significant. (Please give us a call should you learn anything more about the reasoning behind this U.S. DOL action.)

In our experience, which includes the collection and analysis of over 2,000 salary surveys measuring ~25,000,000 positions, medians are almost always a better indicator of central tendency than means. More importantly, we estimate that means exceed medians "on average" by ~1.2%.

*For current subscribers, a renewal offer for 1997 accompanies this Update. To conserve cost, ERI sends out the next year's offer with the last quarterly releases of each year's subscription.*

*Full Assessor Series® subscribers (Relocation, Geographic, & Salary Assessors®, plus the **1997 Reference Report**) will receive a discount if payment is received before October 1, 1996. (ERI has offered early renewal discounts since 1987.)*

### THE 1997 GEOGRAPHIC REFERENCE

*Annual Report of Costs, Wages, Salaries & Human Resource Statistics U.S. and Canada*

#### THE 1997 GEOGRAPHIC REFERENCE REPORT

Annual Report of Costs, Wages, Salaries and Human Resource Statistics U.S. and Canada



ERI's hardcopy analysis, covering 298 U.S. and Canadian cities as compiled from 2,750 surveys & data sources, will include 10 new benchmark positions in 1997. The **Geographic Reference** will eliminate all "size sensitive" positions, management jobs where pay levels are influenced by an organization's size and industry (as well as geographic area). For example, "Benefit Manager" will be replaced by "Attorney" in the listing of 88 benchmarks. This will allow subscribers to more accurately review actual geographic practices. New positions include:

- |                              |                     |
|------------------------------|---------------------|
| Aircraft Mechanic            | Attorney            |
| Engineering Technician       | Food Service Worker |
| Gate Guard                   | General Clerk       |
| Personnel Clerk              | Secretary to CEO    |
| Tractor Trailer Truck Driver | Welder              |

Management positions excluded from the **Reference** are reported in the **Salary Assessor**® and **Consultants' Assessor**®.

*ERI's continuing mission is to provide consistently excellent market pricing information relating to area wage and salary differentials and cost of living differentials. Please remember that all Assessor Series® programs feature a "Personalized Printouts" option as part of the Print Function. Subscribers may substitute your personal and firm names, address, phone numbers, etc. on all printouts. ERI does not have to be cited.*

# ERI RESEARCH NOTES



## Questions?

Subscribers may receive the fastest replies to questions or concerns by jotting comments down on an **Assessor Series**® produced printout and faxing that output to (800) 753-4415. Questions will be forwarded onto the appropriate ERI researcher. Or E-Mail your notes with an attachment to:

[eri\\_redmond@msn.com](mailto:eri_redmond@msn.com)

and your question will be answered by the appropriate research staff member.

## Housing Costs

The addition of several new and very reliable rental cost sources, as well as upswings in housing prices in some parts of the country, have significantly altered July 1, 1996 data for certain areas.

Housing costs, of course, are the most volatile of all cost measurements and at high earnings levels rival personal income taxes as the largest expenditure. It is not unusual to see a 15 % home value shift from year to year in certain cities. Please contact us if you have concerns regarding new cost of living data variances.

## The Microsoft Network

In April of 1995 ERI was proud to have been one of the ~100 "independent content providers" selected by Microsoft as part of their new MSN Microsoft Network. It now appears that Microsoft has "changed its course" regarding MSN. We are now redirecting our on-line subscriber support development efforts to our Internet site.

## Internet

If you review ERI's Internet pages, keep in mind that ERI has viewed the Internet strictly **and only** as a place for advertising. We think of "cyberspace" as "billboards on a highway", "yellow pages by modem", and as with our annual **Geographic Reference** flyers, the Internet is another way to advertise our research.

ERI's involvement with the Internet and MSN, however, has led to interesting, "found only at ERI capabilities". For example, review our bulletin boards and downloading capabilities from the Internet site (which is now interactive with MSN). Since MSN is accepting no new "independent content providers", ERI has an "exclusive" until other commercially developed software is available to the public.

## Minimum Wage - U.S.

ERI has altered its area regression differential analyses in anticipation that as of July 1st, the new U.S. minimum wage will be \$ 4.75 (and \$ 5.15 July 1, 1997). **ERIGA & ERIRA** area structures now begin at \$ 10,740 per year. Canadian provinces and the State of Oregon may differ (as each has its own minimum wage).

The Microsoft Network (MSN) is operated by Microsoft Corp. on behalf of Microsoft Online Services Partnership. Microsoft and Windows are either registered trademarks or trademarks of Microsoft Corp. in the United States and/or other countries. All **Assessors** are trademarks of ERI Economic Research Institute, Inc.

## Canadian Taxes

The 4/1/96 version of ERIRA had a "personal income tax glitch" that appeared only in analyses where the "Base City" was Canadian. We apologize as changes were made concurrently with programming the **Relocation Assessor**® Windows® libraries. "Thank you" to those subscribers who pointed out the problem.

(Income taxes remain unique and specific for each city in Canada & the U.S. International analyses are tax equalized to these "Base Cities".)

## Competitive Differences

In 1976 ERI's Founding Director designed and programmed the **Geographic Reference**'s major competing product (now owned and published by an insurance brokerage and consulting firm). The principal differences between the Director's old design and ERI's new **Reference** are ERI's more thorough research and reporting, the use of over 2,500 survey sources, and analyses approaches that block out variance. While it is true that the competing product may use its proprietary collected survey data, ERI also utilizes actual data points for all collected non-copyrighted sources. Because area surveys are limited by individual publisher methodology and data population size, it is ERI's compilation of multiple survey data that renders stable and accurate national norm estimates and area differentials. ERI's **Reference** covers more (and some different) cities and all of the competing report's cities in the **Geographic Assessor**® (with more than 4,000 U.S. areas). ERI also contrasts COL differentials and reports differentials in Canadian cities.

## Analyses Differences

Are Wichita's salaries slightly above or slightly below the U.S. national norm? Is Louisville 6 % below national norms as suggested by BLS? Is Vancouver BC pay really 15 % above Canadian national norms? Different answers are reported according to different analysis methodology utilized by different products. For example, does one include or exclude Boeing's union and NW influenced pay levels in Wichita; are high paying employers not participating in Louisville's BLS survey included; are Federal, provincial, and city government rates recognized in Vancouver, BC? ERI's approach is designed to serve the needs of its clients, most of which are private organizations with branch offices. We don't ignore Boeing practices; include all Louisville employers; attempt to exclude all public pay vagaries. These are ERI's design decisions; other publishers have differing methodologies.

## Training Sessions

ERI does not provide consulting "fee for service" support, and this decision (we don't wish to compete with consulting subscribers) has extended to educational and fee based training sessions. Several consulting firms have suggested that they can provide these services to subscribers. So if you have the need for a visiting consultant who might fly into your city and spend a half day working through the "ins & outs" of the **Assessor Series**®, here are two consulting contacts who have taken the time to be trained by ERI. Call either (800) 292-2881 or (800) 546-4015. (Other consultants are welcomed to volunteer their #'s for ERI's referral list after proving competence.) Fees will be quoted, as will travel costs; ERI will not be involved in these activities nor will it share in any of these consulting firms' billed time and expenses.

## ACA National

ERI saw little new to report at the May 1996 ACA Convention other than the large booth manned by Arthur Andersen and their illustration/ maintenance of 20,000 Internet pages. We suspect that unless other consulting firms watch out, AA will become the world's largest compensation consulting firm!

## ERC National

ERI saw far more new technology the next week at the Employee Relocation Council's Convention with its multiple Internet access workstations. ERC seems successfully intent on building its membership with the use of the Internet.

## AMA National

ERI saw more of Las Vegas than necessary. (What are the odds of all these associations selecting Nevada, in May 1996, at random, all at the same hotel?) AMA's '96 show was dominated by the IBMs, ADPs, Dun & Bradstreets, Chases, all selling some form of HR and compensation management systems. Noticeably absent were small firms selling HR information systems. In only two years, most of ERI's small-firm friends have "appeared to have disappeared" (or else they dislike Las Vegas).

## 1997 Salary Increases

Most consulting firms and professional associations are expected to again report merit increases of 3.9% - 4.1% in their 1997 salary budget surveys. Since almost 90% of larger organizations now practice some type of variable pay approach, these figures are deceiving. A better judgment (in hindsight) is found in reviewing the actual surveyed salaries for any position measured from year to year. For example, when Canadian surveys are now reporting the same salary as they reported for a position in 1991, one can conclude little real wage increase has occurred. Real wage increases in the U.S. are mixed: some wage earners and low-end salary positions appear much like Canadian; professional and knowledge based positions appear to be progressing at the traditional ~60% of merit rate (structure movement of 2.4 %). Wage freezes are also still common.

## CD-ROM

ERI is developing a **Full Assessor Series**® application to be available on a CD-ROM. A mid 1997 release date is scheduled (although "betas" will be sent out at an earlier date). If you wish to "volunteer to review the beta", this **Update** includes a copy of ERI's 1996/1997 Price List. Please fill it out and return it with your renewal (or fax it to (800) 753-4415).



# GUIDELINES FOR USING ASSESSOR SOFTWARE

## DOS/ Windows®/ Windows®95

The **Assessor Series**® were first developed as DOS programs. **DOS Geographic, Relocation, and Salary Assessors** may be run from a diskette. We recommend, however, copying those programs & datasets to your hard drive and saving the diskettes as archive copies. Most subscribers access ERI data via Windows 3.x software. Like all DOS-designed programs, you will obtain the best results if you run **Assessor Series**® software from the DOS prompt. Click on the "MSDOS" icon in the Windows® 95 Start Folder or the Windows 3.x Main Group. Power Mac users may not access **Assessor Series**® data without partitioning their hard disk and adding DOS operating programs. New **Assessor Series**® Windows® 95 editions will require installation.

## Running Programs from a floppy drive

Place the **Assessor** diskette in a floppy drive (A: or B:). Make this disk drive your current drive by typing *A:* or *B:* and pressing **<**. Type the **Assessor's** short name (e.g. *ERIGA* for the **Geographic Assessor**) and press **<**. Type *eri* for the **Assessor Series**® **Demonstrator** (a:>eri and then **<**). The **Consultants' Assessor** uses the c:>a:\install and **<** command. **(Remember: When running a program from a diskette, do not remove the diskette from the floppy drive until you have completely exited the program.)**

## Running Programs from a hard drive

Assume your hard drive specifier is C: and the directory in which the **Assessor** will be installed and used is \ERIGA (e.g. *ERIGA* for the **Geographic Assessor**). Make your hard drive the current drive: type *C:* and press **<**. If the directory \ERIGA does not already exist, create it. Type *MD\ERIGA* and press **<**. Make \ERIGA your current directory. Type *CD\ERIGA* and press **<**. Insert the **Assessor** diskette in a floppy drive (assume it's A:), type *COPY A:\\*. \* and* press **<**. Keep the **Assessor** diskette as a "backup". The **Consultants' Assessor** and Windows® 95 editions **require installation** & may not be run from a diskette.

## Geographic Assessor

- To receive help from any of the 9 screens, press the **`** key. **| #** to move to any Screen.
- Use the **<** key to move on after inputting data, the exception being:
- Use the **^** and **3** keys to move from screen to screen in Screens 7 and 8.
- Use the **o** key to move to a previous screen or to exit a help screen. **§** to Screen 7.
- To exit the program, use **| Q** if in Screens 4 through 9 or use **o** if in Screens 1 through 3.
- In Screens 7 and 8 you may simultaneously make up to 99 comparisons onto one table (with the ability to save, load, or print). **~** allows printing to either a printer or disk file.
- Save and load your data in Screens 7 and 8 to and from a file; use the **•** and **-** keys.
- Insert a line in Screen 7 or 8 with use of the **±** key; use the **µ** to delete a city.
- Use **'** key in Screens 1, 2, 7 and 8 to select a city from a listing by state, province, or county.
- **™** overrides the \$99,999 limits in Screen 4, converts value types (%'s to \$'s) in Screens 7 & 8.
- **| S** provides a listing of survey sources for that city/area's state or province.
- Use "National" or "Canadian National" or zz00, zz10, zz10- as standard "Base Cities".

## Salary Assessor

- The **| Q** keys provide exit from the program; **| S** for survey sources (if c:\eriga present).
- To receive help from any of the main screens, press the **`** key.
- Use the **<** or **§ <** keys to move within Screen 4 or 5; **^ 3** to the next or prior screen.
- All **Assessor Series**® programs store data (positions & cities) alphabetically.
- Use the **"** key to delete data in any entered line. (**"** key delete is true for almost all programs.)
- **§ ¥** usually inserts a position above a line; **§ □** inserts below.
- Use **'** **¢** keys to view a listing of all positions containing a key word or title.
- Screen 4 allows for a benchmark listing of positions in any one location in any industry.
- Screen 5 allows for listing of salaries for one position in multiple locations.
- Full position descriptions are available if the **Consultants' Assessor** is installed at c:\erica.

## Relocation Assessor

- To receive help from any of the 9 screens, press the **`** key. **| #** to move to any Screen.
- Use other commands as described in the **Geographic Assessor** directions (above).
- To exit the program, use **| Q** if in Screens 3 through 9 or use **o** if in Screen 1 through 3.
- You may save and load your data in Screens 6 and 8 to and from a file. Use the **•** and **-** keys.
- **'** key in Screens 1, 2, 4, 6, 7, 8 & 9 selects a city from a listing by country, state, province or county.
- Use the **~** key to print an analysis in either Screen 4, 6, 7, or 8 to either a printer or a disk file.
- Use the **^ 3** keys to escape the Exchange Rate Screen. (The **International Assessor** is a **~** prints graphs of Screen 5 to HP laser compatible printers. "hidden dataset" ... erira i)
- To analyze just 4,000+ Canadian & U.S. cities, type a:>erira; to review an additional 1,400+ international areas, type a:>erira i (reviews all cities in database, international, Canadian, and U.S.).

## Downloading from Internet

- Access the Internet and type <http://www.eri.com/~eri>
- Select the Product Download shortcut found on ERI's home page.
- Or if already a member of The Microsoft Network, select "Edit... Go To... Other Location" and type in *eri*.
- Remember, each & every download from MSN creates a full annual subscription charge (ERI exercises no control over billing, payments).
- Select the ERI Product Download folder and then the category.
- Double click on the product you wish to order. For example, double click on the **Geographic Assessor** Download.
- Read the message; scroll to the download "zip"; double click the icon.
- Find the **Geographic Assessor** program and database on your PC's hard drive under: c:\Program Files\The Microsoft Network\Transferred Files\eriga.000. To access this file:
  - Double click on the "My Computer" icon.
  - Double click on the folders listed above.
  - Double click on "eriga.exe" (blank eriga folder) to execute
- Programs are best run under the MS-DOS prompt. We recommend copying the eriga.000 folder to a c:\eriga directory.

## Benefit Assessor

- **§** provides a menu of commands.
- **>** provides Benefit Statements from Screens 3 & 4.
- **œ** provides COBRA letters from Screen 3 (Status must be "C").
- **-** searches for any employee's name. **`** key for other helpful hints.
- **~** allows for the importing/exporting of employee data in Screen 3.
- The **§** Menu allows printing of an Employee Census, a 125 Plan document, SPD, and IRS, DOL & COBRA submission letters.

## Consultants' Assessor

- Select among individual position analyses, benchmark listings, reasonable accommodation reports, executive compensation, and/or workforce demographic analyses.
- The **| M** keys provide a menu; **| Q** keys provide exit from the program/subprograms.
- When a description is displayed, use **^ 3** **¢** **£** to scroll through.
- The **Executive Compensation Assessor** is incorporated in the **Consultants' Assessor** with salary & bonuses for the top 6 positions.
- Data is in a "packed" form and requires installation to a hard disk.
- Use the **¥** **□** **©** **| \*** to shift to different program functions.

No basic \*.exe changes are made for 7/96; all work is focused on Windows® 95 versions.

## Notes

All 1996 **Assessor** software have an "icon" file (\*.ico) which reproduces one of the icons below:



Assume ERIGA (**Geographic Assessor**) is installed on your hard drive (c:). To Install ERIGA.ICO for Windows® Microsoft

- 1) In Windows select "New" from "Program Manager's File" menu; or select the Option or Change Properties line.
- 2) Select "Item".
- 3) Click "OK" (bringing up the "Properties" box/line).
- 4) Type "ERIGA" at the "Title" prompt.
- 5) Type "ERIGA.EXE" at the "Command Line" prompt.
- 6) Type "C:\ERIGA" at the "Working Directory" prompt.
- 7) Click "O.K."
- 8) Click "Change Icon" (bringing up "Change Icon").
- 9) Type "C:\ERIGA\ERIGA.ICO" at the "File Name".
- 10) Click "O.K." (two times).

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# ECONOMIC RESEARCH INSTITUTE 1996/1997 PRICE LIST

## REFERENCE SERIES *(single 1997 hardcopy edition, scheduled release date 10/15/96)*

- 1997 Geographic Reference Report** \$349.       Make this a "Standing Order"      \$ \_\_\_\_\_  
298 U.S. & Canadian city report with salary, cost-of-living, & demographic data

## RESEARCH SERIES *(PC diskettes released quarterly: 1/97, 4/97, 7/97, and 10/97)*

- Geographic Assessor® ERIGA** 1997 calendar year subscription \$649.      \$ \_\_\_\_\_  
Calculates wage/salary and cost-of-living differentials among 4,000+ U.S. & Canadian cities
- Relocation Assessor® ERIRA** 1997 calendar year subscription \$649.      \$ \_\_\_\_\_  
Current cost-of-living data and unlimited #s of printed relocation reports for transfers between any of 4,000+ U.S. and Canadian cities and 1,400+ international locations
- Salary Assessor® ERISA** 1997 calendar year subscription \$649.      \$ \_\_\_\_\_  
Salaries for 3,000+ jobs and 300 areas with brief position descriptions
- Full Assessor Series®** 1997 calendar year subscription \$1,647.      \$ \_\_\_\_\_  
Reference Report plus all 3 Research Series **Assessor** calendar year subscriptions
- Full Assessor Series® Platform** "Yes", include a free 1997 "beta" test copy of ERI's new CD-ROM with maps, demographics, position descriptions & other free data      \$ None  
*Scheduled beta release date 1 October 1996, finished first release 1 July 1997*

## ANALYSTS' SERIES *(PC diskette released once annually)*

- Benefit Assessor® ERIBA** 1997 calendar year subscription \$649. Provides cost analyses, discrimination tests, COBRA letters, benefit statements & State alliance data      \$ \_\_\_\_\_
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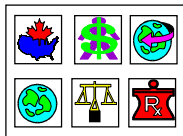
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