



ECONOMIC
RESEARCH
INSTITUTE

ERI UPDATE

NOTES TO SUBSCRIBERS

Windows® Editions

August 15th **Assessor Series®** subscribers are scheduled to receive a beta test release of ERI's newest Windows edition, the **Salary Assessor®**. If you have the time, we would very much appreciate your review, testing, and comments regarding this new application.

1998 Geographic Reference Report

ERI's 1998 Geographic Reference Report is scheduled for release on 15 October 1997. 298 North American cities are covered in this hardcopy analysis that combines key aspects of the **Geographic, Salary, and Relocation Assessors®**. Benchmark salaries for 88 positions, cost of living for renters, workforce demographics and other key features of 265 U.S. and 33 Canadian cities are reported.

1997 Salary Reference Reports

In April ERI published nine new References, seven of which are hardcopy extracts of the **Salary Assessor®** (covering 538 of ERISA's 4,729 job titles). The latter two are U.S. Government survey compilations (the former are derived from private surveys) and are ERI's attempt at replacing the discontinued BLS PATC report and creation of a useful report related to the OES "salary" survey effort described in the January and April ERI Updates.

Demonstration Diskette

This ERI Update will most likely include a copy of ERI's newest **Demonstration** diskette. We send it to all subscribers because it contains the programming for the **Full Assessor Series® Platform**, a program "shell" developed *to increase the speed and performance* of all **Assessor Series®** DOS and Windows programs.

A CD-ROM Beta edition of this **Platform** was sent out last Fall and the feedback received was that most subscribers did not have CD-ROMs. Consequently, please find a 3 1/2" diskette that if installed to c:\eri should improve all **Assessor** programs' performances.



For current subscribers, a 1998 renewal offer accompanies this Update. To conserve postage and packaging, ERI sends out the next year's subscription renewal offer with the last quarterly releases of each year's subscription. ERI prices again remain unchanged.

Full Assessor Series® subscribers will receive a fourth Assessor in 1998 as part of their subscription. Due to IRS & others' use of the Consultants' Assessor®, ERICA will be continued for 1998.

Methodology & Product Improvements

Minimum Wage

ERI has altered the base point of our "Wage Earner" regression differential analysis to the new U.S. minimum wage of \$5.15/hour. **ERIGA** and **ERIRA** U.S. National Average area structures now begin at \$10,740 per year. Canadian provinces and various U.S. states' minimum wage points may differ based on individually legislated state or province minimum wage rates.

Housing Costs

The addition of new and more reliable rental cost sources has altered 7/1 renters' cost-of-living data (as compared to 4/1) for certain areas reported by **ERIGA**, **ERIRA**, and **ERISA**. Additional sources for home sale prices have also altered selected home price estimates reported by **ERIRA**. Please contact ERI research staff if you have concerns regarding new cost-of-living data variances, most of which will relate to housing costs.

Income Taxes

With the U.S. minimum wage increasing beyond the \$9,500 threshold for an Earned Income Credit, minimum wage earners' effective tax rates have increased dramatically. It remains to be seen if Congress will continue to collect these increased effective taxes from our nation's lowest wage earners or increase the EIC in line with minimum wage increases.

Full Assessor Series® Platform

Five new datasets will be made available to **Full Assessor Series®** subscribers free of charge. Maps, position descriptions, Tax Codes/Laws, U.S. Census/EEO data, and SEC extracts of executive compensation are being developed. The **Demonstration** diskette described at the left contain only example listings as these datasets' size require a CD-ROM. A CD is not necessary for use of the Platform's performance enhancement features.

Indeed, there are so many changes and improvements to the Assessor Series® programs that we've added 4 pages to this Update. Please refer to pages 2 & 3 for more ERIGA/RA/SA/CA changes.

ASSESSOR IMPROVEMENTS

Salary Assessor®

ERISA is in process of being written as a Windows application. Additionally, all positions have been keyed to match against the codes of the:

- o U.S. Dictionary of Occupational Titles,
- o Canada's National Occupational Classifications,
- o U.S. DOL's Occupational Employment Surveys, and the
- o U.S. Census

this will allow subscribers to compare the **Salary Assessor's** results against the new OES Survey. For **Full Assessor Series® Platform** users, this coding will allow a review of Census/EEO workforce data for geographic areas found in either the **Relocation** or **Geographic Assessors**.

Additional recent improvements to the DOS edition of **ERISA** include:

- o Subscribers may now search for positions by DOT and OES codes, in addition to searches by starting words and key words.
- o Full Position Descriptions are available for your review, along with installation of **ERISA's** disk 2; **ERICA** is no longer required.
- o Alternative position titles may be viewed via *F12*.
- o You may toggle between median and mean salary estimates via *F11*.
- o The position description may be printed on a separate, second page from Screens 2 and 5.
- o Multiple positions or cities may be loaded from search listings to Screens 4 and 5 via *F5*.
- o New benchmark listings are being developed by industry; SIC & PBA codes continue to be used (NAIC will be used in 1998; Principal Business Activity Codes are IRS related).
- o Multiple cities may be selected for an average area structure via *F5*.
- o Access survey sources (no longer need **ERIGA**) by state or province.

Geographic Assessor®

ERIGA is also in process of being written as a Windows application. Additionally, all cities, counties, and states & provinces are being keyed to center area longitudes and latitudes for use with the mapping functions to be found in the new **Full Assessor Series® Platform**. This will allow printouts to contain a map of any area or allow a subscriber to review and/or select areas from a map of an area in which a workforce is drawn.

Recent refinements to the DOS edition of **ERIGA** include:

- o Default structure selection for wage comparisons are determined by solving for the U.S. national norm equivalent salary (as compared to the Base City salary). If that U.S. National norm is below \$ 24,000, the wage earner structure is utilized.
- o Likewise default structures for comparisons for a salary structure are those where a U.S. National norm comparison would be > \$ 24,000 and <= \$ 48,000; all comparisons above those values are salary bonus structures.

Consultants' Assessor®

ERICA subscribers convinced us in our January and February Subscriber Briefings (held in cities across the U.S.) that the **Consultants' Assessor** should not be discontinued. Of particular concern were the Engineers attending from the U.S. Internal Revenue Service who told us that **ERICA** was used in most stock valuations of privately-held corporations (to adjust up/down management's compensation). Additionally, **ERICA** is used in assessing S-Corp management pay, lost wages of internally capitalizing manager/owners, tax credit calculations, as well as maximum reasonable compensation issues.

Subscribers to the **Full Assessor Series®** will receive the annually produced edition of the **Consultants' Assessor** in 1998.

- o Default structures in **ERICA** now use the same logic as **ERIGA** (above) and **ERISA**.

Relocation Assessor®

ERIRA was already converted into a Windows edition in late 1996. Interestingly, in a FAX Reply sheet sent out to all subscribers in early January 1997, **ERI** surveyed those who wished Windows editions sent rather than DOS. DOS subscribers, as of this date, still outnumber Windows **ERIRA** edition subscribers by four to one (however, that ratio is decreasing monthly).

Recent improvements to both the DOS and Windows editions of **ERIRA** include:

- o all cities, counties, and states & provinces are being keyed to center area longitudes and latitudes for use with the mapping functions to be found in the new **Full Assessor Series® Platform**.
- o continuing the above, we've found a correlation between distance from the major Canadian cities and costs for consumables, services and transportation for those who live in area and cities to the far North. Modeling now takes into account the increased costs of these items in the Northern reaches of Canada.
- o User changes to home assumptions: loan amount, term, and interest rate will not change when a new city is loaded. Changes will be flagged on two-city comparisons as a reminder (red text on screen, asterisk on printout).
- o User changes to property tax, insurance, maintenance, utilities will change when a new city is loaded. Changes are flagged on two-city comparison as a reminder (above).
- o Printouts of windows version will print with a "w" after "data as of" date
- o Only U.S. cities are shown initially in the Windows version of **ERIRA**. See the Edit menu to select both the U.S. and Canada or "all" including 1,400 international locations.
- o FAVR mileage is \$.315/mile and U.S. per diem defaults are \$ 50 & \$ 37.

OTHER IMPROVEMENTS

Economic Potpourri

Traveling around the Country(ies), our researchers hear comments and/or see facts that are of interest, although these facts may not directly relate to any of ERI's research products. For example, during the last three months, we've seen:

- o 300,000 of every 400,000 position in many mid-west states earn less than \$22,000/year.
- o 5 of every 6 new positions being created in many Canadian provinces are minimum wage jobs.
- o tax every American making a gross income amount in excess of \$2,000,000/year an additional 1% (of gross) and most of the U.S. operating deficit disappears.
- o if you are in your 20s and don't have a technical/professional trade you can now find a job, but it will take two of them to make "average" U.S. earnings.
- o the next Census may report median earnings considerably lower than the last (averages are going up because the top earners are earning much more in 1997).
- o National Health Act is alive (in part) in the new HIPA regulations regarding continued medical coverage and requirements for certificates. Unnoticed by many, unlike ERISA and COBRA (and for the first time ever to ERI's knowledge), if a state has more favorable treatment, the state coverage rules prevail.
- o Immigration is at record highs; almost 1,000,000 new immigrants last year and more scheduled for this year. Alien certification (re. wages) is a highlighted issue of the U.S. DOL.
- o There's a secret battle going on between Canadian and U.S. Customs and Immigration caused by the disagreement over how to treat Cuba. It is affecting TIN and consulting permits between the Countries and sometimes making it very difficult for cross border business travelers.

U.S. National Salary References

The following 1997 U.S. National Salary Reference reports were released in April:

Accounting & Finance
Clerical
Computer Related
Engineering
Executive
HR, Legal & Risk Management
Warehousing & Purchasing

containing selected **Salary Assessor**[®] data.

Sample results are listed here:

Average Salary Estimates Effective 4/15/97	
Director Compensation & Benefits	72,942.
Director EEO	62,894.
Export Clerk	21,407.
Human Resources Advisor	44,831.
Inventory Analyst	30,420.
Investor Relations Manager	70,770.
Legal Secretary	32,674.
Methods Engineer	55,290.
Microelectronics Technician	35,949.
Parts Salvager	14,272.
Personnel Manager	61,991.
Secretary to EVP (III)	36,307.
Test Engineering Supervisor	68,054.
Top Human Resources Officer	102,728.
Skip Tracer	23,824.
Webmaster	57,595.

Salary Assessor[®] subscribers need not subscribe to any of these References as they are printouts of 538 of the over 4,729 job titles found in **ERISA**'s April 1997 edition.

U.S. National Survey References

The following 1997 U.S. National Survey Reference reports were also released in April:

Professional, Administrative & Technical Reference Report

(BLS area data as compiled by ERI for a consensus U.S. National Average Estimates; a replacement for BLS' discontinued PATC survey report)

Occupational Employment Surveys Reference Report

(For 1997, ERI ERISA estimates of what each of the 846 OES job families might report; in later years, a comparison of private surveys' results vs. OES.)

Questions?

Subscribers receive the fastest replies to questions or concerns by jotting comments down on an **Assessor Series**[®] printout and faxing their questions directly to **(800) 753-4415**. Questions may also be e-mailed to **eri_redmond@msn.com**. Data questions are quickly routed to the researcher in charge of each particular research database. Also, ERI's "Subscriber's Town Hall" forum (part of ERI's Internet home page) may be utilized for the posting of anonymous questions and ERI responses. Most Frequently Asked questions are also listed for your review at **www.eri.com**.

Suggestions?

ERI research staff invite subscribers to review the new industry benchmark listings added to the 7/1/97 **Salary Assessor**. If there are any benchmark positions not currently reported by the **Salary Assessor**, but which would be of use to you, please fax your request to (800) 753-4415.

Likewise, if you have suggestions for new cities which you would like to see reported in the **Geographic** or **Relocation Assessor**, or for select neighborhoods within currently reported cities, fax your request to (800) 753-4415. Please refer to "Chicago" cities in the **Relocation Assessor** for an example of the neighborhood divisions available within the city limits of Chicago.

MSN2

ERI continues to support Microsoft's new MSN2 as an "Independent Content Provider". The **Assessors** can be found under "*Essentials*" and "*MSN Classics*", with the "go word", *eri*. One may download the latest **Assessor Series Demonstrator** and/or any of the **Assessor Series** datafiles and programs (the latter requires a credit card charge).

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CONVENTION NOTES

ACA's National Convention - Orlando

May 1997's ACA Conference and Exposition saw over 1,500 attendees, many of whom visited ERI's exhibit booth to discuss the **Full Assessor Series® Platform**. Their comments almost often led back to the dynamic nature of employment now found within the U.S. economy:

"Kansas City is finding most minimum skilled laborers offered two or more jobs wherever they turn; fog a mirror in Missouri and you have a job."

"Fort Worth just reported its all-time lowest unemployment rate."

"In Denver our people are leaving for \$.10 an hour difference. It's crazy, no one wants to work at some of our lower paying jobs."

The nature and content of the ACA National Conference was also telling. Of the 114 workshops, the percentage content approximated:

- o International Compensation 25 %
- o General Practice Issues 49 %
(Competency Pay, Variable Pay
Team Pay, Banding, Introductions)
- o Specific "Hard" Topics 13 %
(Rabbit Trust, LTD, Contracts)
- o Salary Surveys 1 %
- o Legal Issues 2 %
- o Executive Compensation 10 %

The real surprise (to ERI) was the large numbers of sessions covering International Compensation issues. This was mirrored on the Exposition Floor, where we found over a dozen different booths featuring international compensation issues

Towers	Coopers Lybrand	Deloitte Touche	
KPMG	Price Waterhouse	Watson Wyatt	Aon
Mercer	Hay	CRG	CCH
ECA Windham	Runzheimer	ORC	Hewitt

It almost appears that a consulting firm had to be "expert" in this area to claim its place. Perhaps the telling quote was:

"ACA members come from large corporations and most of large corporations have moved all or part of their manufacturing outside the Country. "

Comments heard at the ERI booth that were left for further thought included:

"Last year's fad was variable pay; the year before it was broad-banding. This year it is competency vs. career based pay. Both look to me like engineering maturity curves with nice words attached. "

"Everyone's being purchased by someone. They keep this up and there will be but one or two booths at this Convention."

The latter comment referred to: W.F. Corroon Benefits being acquired by Buck Consultants, all then purchased by Mellon Bank Corp.; Kwasha Lipton's purchase by Coopers & Lybrand; Howard Johnson's disappearance into Noble Lounds which in turn was acquired by Sedgwick James; Aon's absorption of many including Alexander & Alexander to mask the latter's purchase of Godwins, Radford, and others; **finally the General Motors-like Ford-like acquisition of Johnson & Higgins by Marsh & McLennan**. Nor were publishing firms spared: CCH acquired by Wolters Kluwer, RIA by Thomson, and Executive Compensation Reports by Harcourt Brace.

A Forecast

The daring concept of the early 1990s, "broad-banding", did not enjoy the same number of presentations or accolades at the May 1997 ACA Convention (1 workshop). Banding and/or doing away all together with job evaluation plans have been luxuries that many companies have accepted during the past twenty years of modest salary and wage movements. While there are many other arguments for and against the return of traditional internal equity approaches, one ACA workshop had an interesting quote:

"if the acceleration in hiring levels continue, many compensation managers may be forced to return to the concept that wage & salary administration has historically been a cost control function, matched to an employee relations function of assuring internal equity to avoid compression issues."

How companies who have minimized their compensation analysis and market analyses by broad-banding (or those without any rationale for position values or internal equity) will fare during the next few years will be interesting to observe. Banding, of course, helps those who use hiring bonuses or inflated starting salaries (compared to present employees' pay).

Next year's Chicago ACA Convention's major theme may very well be wage & salary compression

Variable Pay

The 1996 Convention's key practice featured was "variable pay". In 1997 it was interesting to note that many companies reported that they were cutting back on the amounts budgeted for variable and team-based pay.

"We find 3% to be as motivational at the team level as 13%."

Of the 114 workshops, only 4 featured variable pay. The major complaint with the concept was that it was producing a "negotiating issue" each year as goals, targets, and amounts of rewards are altered to employees' consternation.

CONVENTION NOTES

ERC's National Convention - Dallas

May 1997's ERC National Convention saw over 2,000 attendees, many of whom visited ERI's exhibit booth to discuss the **Relocation Assessor**®. Their comments also often led back to the dynamic nature of employment and relocation.

"\$ 5,000 to \$ 7,500 hiring bonuses are the rule for many software programmers; those jobs on the West Coast are seeing signing bonuses in the 5 figure range; it's unbelievable."

"Boeing has given its college recruiters the authority to hire beginning engineers on the spot for as many as 5,000 new hires; fill the Boeing hiring criteria and you can go to work immediately."

"The big companies are trying to hold the line and hire in the mid 30's for new college hires; it is the mid-sized companies that need only one or two new engineers or programmers who are giving the marketplace fits; they have no trouble going to the mid 40's."

"It's like we live in two different worlds; the technology sector's compensation practices are going crazy, the service sector's practices are not much different this year than last's."

"Just look at the Sunday Classifieds in Boston, New York or Chicago. The Want Ads for Employment section is thicker than last year's entire Sunday edition!"

"There is a real mixing together of signing/recruiting bonuses with that of lump sum moving allowances for the key and professional new hires. Say what you want about not paying relocation bonuses, but they help with salary administration. It is much easier to explain why a moving bonus shouldn't be repeated in succeeding years than it is a hiring or recruitment bonus."

This change in the level of technical starting salaries is a fairly new phenomenon. Our more senior researchers tell us, however, that it is an environment not unlike the mid 1960s. (What followed that cycle was inflation, followed by wage & price controls, followed by a Stock Market sinking by 70%. One wonders if history will repeat itself.)

Survey Company Workforces

We visited all the ACA Conference booths and asked each consulting firm how many employees each had assigned "full time" to salary survey duties. The numbers we heard were far larger than what we had expected to hear (if we were lied to, all lied to us consistently):

Towers	75	ECA Windham	80
Coopers	10	Hewitt	60
KPMG	10	Aon/Radford	22
Wyatt	120	Runzheimer	20
Mercer	100	EComp	5
Hay	140	AirInc	50
CRG	125	ORC	182

and not represented among the booths

U.S. BLS	80	Exec Alliance	60
with State OES personnel	540		

In talking with each of these groups, most considered the new BLS/OES salary survey effort a "non event". The belief was that "non industry specific data" had limited value.

Competency vs. Career Based vs. Maturity Curves

There's a definite effort taking place in U.S. companies today to establish some type of rationale within which one might rationally administer salaries in a time when compression/salary levels of new hires equal or exceed those of more senior and tenured employees. Career definitions within a position might read:

Training
Active
Fully Active
Leveraged
Guru

Whereas the "competency" approach would talk of "silos of learning" where each level in 5 silos within a grade/range would consist of defined steps, achievements, and/or learning goals. Each step within a silo earns an individual a few cents/hour more in salary.

Variable pay might then tied to these competencies allowing only those at the "top of their silos" to participate should team, division, and/or company goals be met.

Salary Assessor Career Curves

ERI has been using experience curves in combining salary survey data to derive consensus medians and means since 1989. We do so because some surveys report a "junior" position as 0-2 years, some 0-3 years, etc. (We would input one value at a median of 1 year, the second at 1.5 years, along with adjusting for time, industry, and area differences.)

Interestingly, the U.S. Census has collected average tenures in a career but have chosen not to report the statistic because of its standard error. For our research purposes, ERI has obtained this data and we are smoothing the error to incorporate it in the **Salary Assessor**. For example, the median tenure reported for all barbers is 26 years! (A misleading example, as that's by far the highest number of years reported.)

Sites of Interest on the Internet

ERI research staff continually monitors the Internet for posted salary and wage data and other compensation and relocation related offerings. Sites that may be of interest to ERI subscribers are:

www.andersen.com
www.deloitte.com
www.kpmg.com
www.homefair.com
www.coldwell.banker
www.btabta.com

We, of course, also refer readers to:

www.erieri.com

1998 Salary Increases

Most major consulting firms (Hewitt, Mercer, Watson Wyatt) and the ACA are expected to report U.S. merit increases for 1998 slightly above the 3.9%, 4.0%, & 4.1% of the past few years. Since almost 90% of larger organizations now practice some type of variable pay approach, these figures will again be somewhat deceiving.

Judging from telephone calls, subscriber comments, feedback from our February Subscriber Briefings, etc., ERI foresees that real structure movement will increase in 1998. We hear those venturing the thought of adding .7% to last year's U.S. rates and 0.3% in Canada, especially if an organization is technologically based.

We also expect major U.S. companies to attempt to add less, .2 or .3% in merit and structure increase budgets while the mid sized U.S. corporations elect not to "play their game". We are already seeing midsize companies in the college hiring market paying substantially more for talent than anyone might have earlier expected.

The above increase rate forecast reflects 1996 and early 1997 discussions. We have been hearing of late that consulting firms' revenues are off a bit for the first three months of 1997. Whether this correlates with "all business" is yet uncertain.

BLS as a Data Source

At the beginning of each subscription year, ERI staff members telephone subscribers who have not renewed, soliciting feedback to enhance our products and research. Occasionally we hear (re. the **Salary and Geographic Assessors**), "*we believe that you under-utilize BLS area occupational compensation data; Reggio and Mercer use their data....*" It's a valid observation. ERI utilized over 2,000 data sources last year and BLS was only one of them. We minimize our weighting of BLS data because:

BLS's charge is to competitively price only those positions found in the Federal Government; positions not found in U.S. Government offices are not surveyed and therefore a significant portion of private industry geographic pay variances are not captured by BLS surveys.

BLS, being constrained in its survey budget, has streamlined data collection, surveying major U.S. employers from just one regional office (Chicago, for example, is responsible for General Motors). By surveying only major U.S. company headquarters, they gain large numbers of survey incumbents and in counting divisions/companies/plants in other cities as different entities and they obtain large numbers of surveyed companies. What they mirror, however, are the pay practices of large U.S. corporations that tend to:

- 1) have clerical and administrative positions that are paid at equity levels equal to labor union peer positions;
- 2) utilize "national structures" for positions such as accountants (so that transfers/relocations and salary administration problems and issues may be minimized);
- 3) overwhelm certain positions with large numbers of incumbents so that internal equity logic is lost (BLS consistently reports "light & medium truck drivers" as being paid more than "heavy truck drivers", principally because of this methodology).

Research products that compete with ERI's **Assessors Series** often report less variance from the "national norm" than ERI. These sources' estimated salaries and levels are usually higher than ERI estimates in lower paying areas and lower than ERI estimates in more volatile geographic markets.

Now there is clearly nothing wrong with BLS survey methodology - the universe with which the U.S. Federal Government has chosen to track are state and local governments and large, uniformly paying U.S. corporations. Most of ERI's clients, however, compete with local area practices and levels, and have need for data which recognizes, but does not over-weigh pay practices of the GMs, labor dominated, and/or state and local government employers.

Internet Survey Input

ERI continues its beta test of an Internet Survey Input forum. We anticipate the day when many surveys will place their questionnaires on Internet file servers. (We don't see printed surveys completely disappearing, but we do believe they will diminish in use over time). Interested survey publishers are invited to call to discuss inclusion in the 1997/98 free beta tests. Two survey/consulting firms are now participating @ <http://www.erieri.com>.

One organization that is not participating is the BLS. ERI had developed a fully functioning Internet data input site for the new OES "salary survey" discussed at the right. In a letter received from the Division of Occupational and Administrative Statistics March 31, 1997 we were told:

"You should be aware that the Cooperative Agreement signed by every state conducting the OES program contains the following provision: A SESA shall not subgrant or contract substantive program work under the Cooperative Agreement. Substantive work includes the sampling, data collection"

So much for the Paperwork Reduction Act and the elimination of boxcars full of salary survey questionnaires.

ERI RESEARCH NOTES

BLS as a Data Source

Each of the last two [ERI Updates](#) has discussed in detail the U.S. Department of Labor's effort to turn the Occupational Employment Survey into a salary survey. Because of the enormity of the effort (a budget of \$ 24,000,000, use of all states' government personnel, and the size of the sample because DOL/BLS has the contact names for every U.S. organization with five or more employees via 202 reporting and because BLS is providing incentives for 75% survey participation), ERI stands in awe at this effort.

We borrow the full text of an introductory, non-copyrighted, February 1997 letter found in the Oklahoma Employment Security Commission Economic Research and Analysis Division's [1996 State of Oklahoma Wage Survey Report](#) that best describes this effort.

"I want to take this opportunity to thank the thousands of employers who responded to the 1995-6 Oklahoma Wage Survey. I also want to thank those employers who participated in the 1993-94 Oklahoma Wage Survey. Because of your help our wage survey publications have won national acclaim and recognition. Also, the wage surveys have become the most requested publications from the Economic Research and Analysis Division.

Sadly, this is the last of the Oklahoma Wage Surveys. The wage surveys conducted since 1993 have used federal funds, but we were the ones who established the criteria for the sample selection and size, data gathering, printing, and other statistical methodologies. Beginning October 1, 1996, the Bureau of Labor Statistics (BLS) of the US Department of Labor took control of all the wage surveys. Now, not only does BLS fund the wage survey, they establish all the criteria. This is not a bad thing. Prior to the BLS funding about 20 states conducted wage surveys. And there were 20 different ways of doing so. Now all 50 states, the District of Columbia, Puerto Rico, Guam, and American Samoa will be conducting the same wage survey with identical standards. This will make it easier to compare the wages of an Accountant or a Secretary in Oklahoma City or Tulsa with those in Seattle, Phoenix, Fargo, Memphis, Chicago, Atlanta, or Bangor. We are fortunate here in Oklahoma because many of the criteria we chose were the BLS standards. The employers selected to take part in the new OES Wage Survey should see very little difference between the old and the new (except the new questionnaires may be a little easier to read). The results from the first OES Wage Survey should be published in November 1997.

Not only do I want to thank the participants again, but I want to thank all the dedicated people here at Oklahoma Employment Security Commission who helped make these wage surveys possible and successful.

Sincerely yours,

ERI's continued listing of the "positives" of this new effort by the U.S. Government are:

1. Over \$ 24,000,000 is being spent on this effort. (That amount is most likely more than the combined costs of all the salary surveys now being conducted and sold in North America.)
2. State staffs are large and resources exist to survey all the positions in over 1,000,000 organizations. Whereas the existing BLS Area Wage Surveys (now Occupational Compensation Surveys) cover only positions found in the U.S. Government, this new survey will include almost all positions found in the U.S. economy.
3. And for the Economic Research Institute's interests, the letter is correct. This new effort will reveal differences among geographic locations in a detail never before believed possible ***for those interested in geographic area wage differentials.***
4. Done correctly, the U.S. Government stands poised to eliminate not just over 20 state survey efforts, but many other privately conducted local and industry surveys (different questionnaires are used for 43 different industries so industry survey results may also be published, along with state summaries and geographic analyses, at some future date).

A listing of the "negatives" of this new effort by the U.S. Government are not as apparent:

1. The OES survey is not a salary survey; it's a headcount. The error for any position could be as much as 1/2 of any pay range.
2. There are no defined measures of real dollars such as "Average Typical Starting Wage" (previously reported by Oklahoma).
3. "Politically sensitive" positions are not covered (farmers and domestic housekeepers).
4. Management and professional positions are very general and all inclusive in their descriptions, as close to useless as it gets.
5. BLS, acting as the gatekeeper, is keeping the "prime" U.S. companies as the source for their other surveys.
6. "Good-bye" to 10-plus really good state surveys (Oklahoma very much included).
7. Not many compensation professionals rely upon Federal Government or BLS data for decision making purposes. Surveys that detail the pay of an Applications Programmer - Cobol, A.P.-Delphi, etc. are what's useful (and not an average of all Applications Programmers). Oklahoma's example would be the 8 types of physicians that are now to be reported as only 1, "Physicians".

GUIDELINES FOR USING ASSESSOR SOFTWARE

DOS® - Windows®

DOS **Geographic**, **Relocation**, and **Salary Assessor**® programs may be run from the diskette. We recommend, however, copying your **Assessor** software to your hard drive and saving the diskette(s) as backup copy(s). Windows versions of **Assessor** software require installation (may not be run from the diskette) as do the **Consultants' Assessor**® and the optional Full Position Description database for the **Salary Assessor**®. Power Mac users may not access **Assessor Series**® data without first partitioning your hard drive and adding DOS operating programs.

Running from your PC's Floppy Drive

DOS **Geographic**, **Relocation**, and **Salary Assessor**® programs may be run from the diskette. Place the **Assessor** for DOS diskette in your floppy drive. Make this disk drive your current directory and type the **Assessor's short name + enter**, e.g. *erisa* for the **Salary Assessor**® + *enter*. The DOS **Assessor** executable names are *eriga*, *erira*, *erira i*, *erisa*. The **Consultants' Assessor**®, **Relocation Assessor**® for Windows, **Salary Assessor**® for Windows, and **Salary Assessor**® for DOS diskette #2 datasets must be installed to your hard drive (may not be accessed from the diskette). Please remember: when running a program from the diskette, do not remove the diskette from the floppy drive until you have completely exited the program.

Running from your PC's Hard Drive

Locate or create your **Assessor Series**® program sub-directory or folder (example *c:\eri\eriga*). For DOS versions, copy all files to the directory and then execute. For Windows versions, run the *install.exe* program from the diskette. Please remember to use different directories or folders for each different product. Keep the **Assessor** diskette as a backup.

Assessor for DOS Function Keys

- F1 Access Help Screens and Program Notes
- F2 Choose from a Listing
- F5 Save file to disk
- F6 Load file from disk
- F8 Print to file or printer
- Alt plus screen number, Jump to any screen
- PgUp Move to previous screen
- PgDn Move to next screen
- Esc Move to previous screen or escape from Help Screen
- Alt + Q or Esc Quit Program
- Alt + S View alternative survey sources

All **Assessor Series**® programs store data (areas, positions, etc.) alphabetically. Type the *city name* and *comma* and begin to spell the *state name* to prompt the correct city and state.

Geographic Assessor® for DOS

In Screens 7 and 8 you may compare up to ninety-nine areas to one Base City at a time. "National Average, U.S.", "Canadian National Average", and "zz00", "zz10", etc. are available for use as standard Base Cities.

- F5 Load listing - Screens 7 and 8
- F6 Save listing - Screens 7 and 8
- Insert Insert a city to a listing
- Delete Delete a city from a listing
- F2 Select an area from a listing by state, province, or county
- F9 Over-ride the \$99,999 salary limit in Screen 4, or to convert value types (percentages to dollars) in Screens 7 and 8.

Salary Assessor® (DOS)

Screen 2 provides detailed pay range information for a single position. Screen 4 lists pay for multiple benchmark positions. Screen 5 lists pay for a single position in multiple locations. Diskette 2 must be installed in order to access full position descriptions and alternative survey sources.

- F2 Select position from a listing
- F3 Delete data in any entered line
- F11 Toggle between median and mean salary estimates
- Ctrl + ↑ Insert above a line in a listing
- Ctrl + ↓ Insert below a line in a listing

Salary Assessor® for Windows

Requires installation to your hard drive, may not be run from the diskette. Please refer to on-line help menus.

Relocation Assessor® for DOS

Use other commands as described in the **ERIGA** section. *erira i.exe* runs the International city database.

Relocation Assessor® for Windows

Requires installation to your hard drive, may not be run from the diskette. Please refer to on-line help menus.

Downloading from the Internet

<http://www.eri.com>

Select the **Product Download** shortcut found on ERI's home page.

Or via the Microsoft network, select "Edit...Go To...Other Location" and type *eri* (via *MSN Essentials & MSN Classic* access).

Double click on the product which you wish to order (**Product Download**).

Read the message; scroll to the download "zip"; double click the icon.

Find the **Assessor** program and database of choice on your PC's hard drive under *c:\Program Files\The Microsoft Network*

We recommend copying the *eriga.000* (e.g.) folder to *c:\eriga* (e.g.) directory.

Consultants' Assessor® for DOS

Requires installation to your hard drive, may not be run from the diskette. Please refer to on-line help menus.

Alt + M Main Menu of functions and subprograms

Alt + Q Quit subprogram or program

Assessor Series® Platform CD-ROM

ERI's **Full Assessor Series® Platform** (beta test) is a run only compendium of non-copyrighted data and includes **Assessor Maps**, **Full Position Descriptions**, **Compensation Related Tax and Law Code**, **Census Data**, and other large reference datasets. These large datasets may be accessed conveniently from the CD-ROM, without requiring large amounts of hard drive space.



ERI Economic Research Institute is a small business corporation; 54 % WOB; U.S.
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