



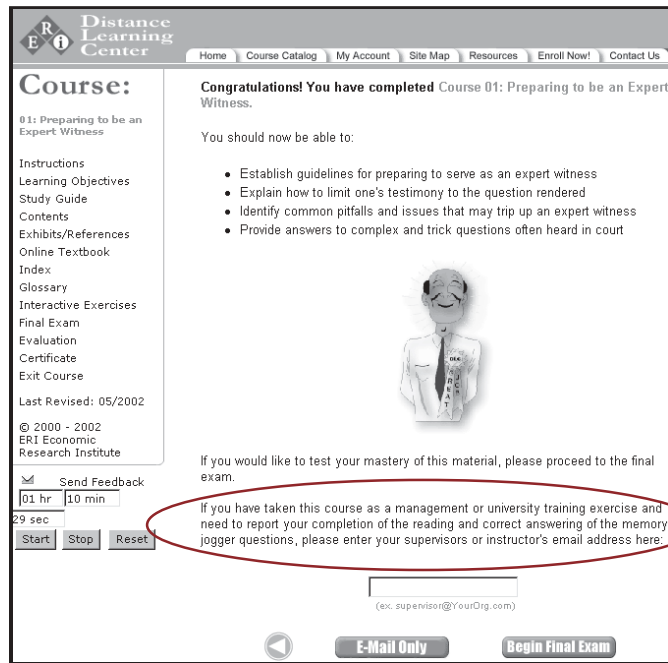
ERI UPDATE

Quarterly Notes For ERI Subscribers

Training New Analysts

Two years ago the AICPA (American Institute of Certified Professional Accountants) asked that ERI (via their Affinity Program) develop 75 compensation & benefit courses specifically designed for a CPA wishing to become proficient in pay practice consulting. The result is that ERI Economic Research Institute:

- 1) is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor on its National Registry
- 2) has an educational site at www.eridlc.com
- 3) and offers all these courses **FREE of CHARGE!**



Review available and planned courses at www.eridlc.com

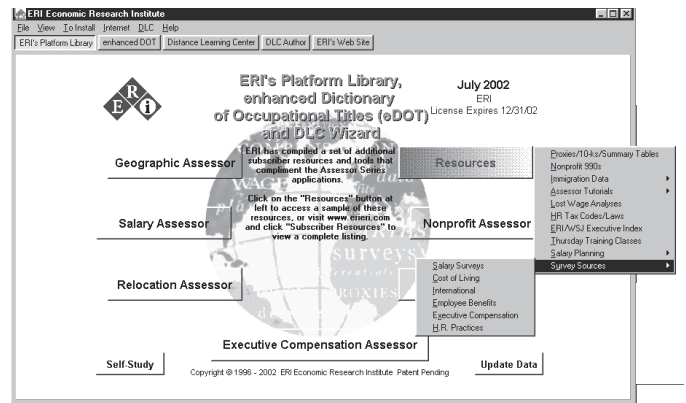
This means:

- ERI subscribers can use ERI DLC to train new analysts (in the spare time that some have as they begin to learn their trade) at no cost.
- Each course consists of 20 - 30 pages of prose and exercises. Before one can leave a course page, a “memory jogger” question must be answered correctly. Assign a course to a new hire. **On the last page of the course the new analyst can enter your e-mail address to automatically notify you that the course material has been completed.**
- If you teach college level compensation & benefit courses, ERI DLC courses are excellent homework assignments!

Consultants, CPAs, and lawyers pay a final exam test fee of just \$19 (after they take a course) should they wish to receive CE/CPE/CLE credits. SHRM’s PHR/SPHR recertification credits also apply.

A New Platform Look

Over a dozen ERI researchers are busy working on an enhanced Dictionary of Occupational Titles (now that the U.S. Government has



forever trashed the DOT text in favor of the O*Net). ERI’s version will incorporate ERI’s Platform Position Crosswalk, the old DOT, over 3,000 new jobs found in the **Salary** and **Executive Assessors**, the U.S. Census and NCS data, and UK and European job descriptions and codes. Preparing for October 2002, we have simplified the Platform “look.” Free raw data and sources are to be found under “Resources.” Note that the map changes color for **Salary** and **Geographic Assessor** subscribers, indicating whether the North American edition or the UK/European edition is active (or both).

Assessor Additions for July 2002

Executive Compensation Assessor subscribers can look for the expanded revenue range to \$30 billion. Other subscribers should look for the addition of 400 new cities/areas to ERI’s databases.

2003 Salary Increase Planning

After September 11th, major consulting firms led a stampede in their shared agreement that organizations had immediately decreased their 2002 salary increase plans from ~4.0% to ~3.0%. ERI’s late 2002 merit increase survey of its subscribers (our November survey had 1,652 organizations*, most other surveys had far fewer) found only a 0.1% (point 1) decrease.

Interestingly, we believe that the variance was the *reporting methodology* (other firms reported a simple average of companies; ERI reported a weighted average adjusting for population). You can participate in ERI’s 2003 Planning Survey at our web site (on the top bar). Survey results will be free to participants. Beware of simple averages.

*Survey report: www.eri.com/freedata/Surveys/MeritIncrease/2002/surveyreport.pdf

RESEARCH NOTES

Assessor Training

Don't forget that ERI offers in-depth, free weekly **Assessor Series** training sessions called Conference Call Symposiums. Typically, the first half hour of every Thursday's chat is filled with helpful hints on **Assessor** usage, while the latter half answers the difficult, and often very interesting, analyses questions. Sign up for these Symposiums on our website at www.eri.com (under Subscriber Resources)

CONFERENCE CALL SYMPOSIUMS

Below is a list of the conference calls that have been scheduled for the month of May.

May's Scheduled Conference Calls:

Date	Time	Topic
05/02/02	9:00 AM - 9:00 AM	Geographic Assessor - Details
05/09/02	8:00 AM - 9:00 AM	Executive Compensation Assessor - Details
05/16/02	8:00 AM - 9:00 AM	Relocation Assessor - Details
05/23/02	9:00 AM - 9:00 AM	Salary Assessor - Details
05/30/02	9:00 AM - 9:00 AM	Geographic Assessor - Details

Next Month's Scheduled Calls >>>
<<< Previous Month's Scheduled Calls

Every few months a 5th Thursday occurs, and ERI likes to take advantage of the "bonus" Thursday to discuss new product research. May 30th was spent discussing the ongoing research associated with ERI's new **enhanced Dictionary of Occupational Titles (eDOT)**. August 29th will be dedicated to the research related to the UK/EU data in the **Salary** and **Geographic Assessor**.

Early Increase Estimates for 2003

US
Wage 3.8%
Salary 3.9%
Management 4.0%

Canada
Wage 3.5%
Salary 3.6%
Management 3.8%

UK
Wage 4.3%
Salary 4.6%
Management 4.8%

Euro Countries
Wage 4.8%
Salary 5.1%
Management 5.4%

As of 5/30/02, see www.eri.com 2003 Planning Survey; numbers will change as data is collected.

Unemployment

At the time of this writing the present labor market has not caught up with the seemingly rosy health of the U.S. economy. For many, the recession continues as job availability has not matched sales and profit growth.

ERI expects unemployment rates to fall, putting further pressure on wage and salary levels.

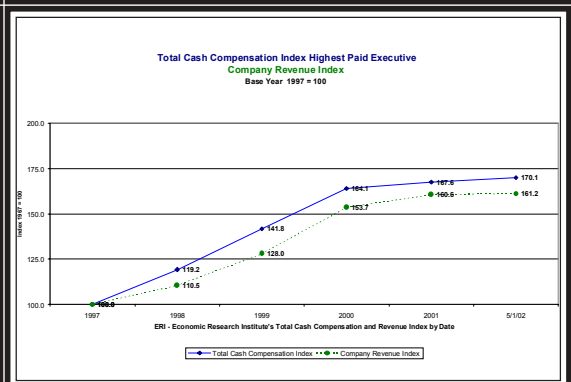
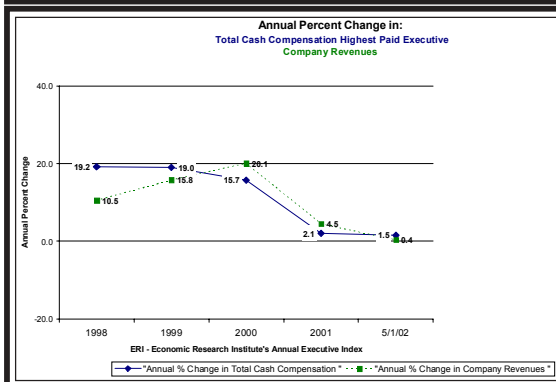
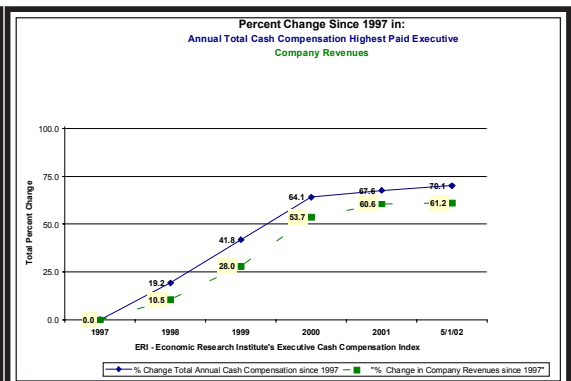
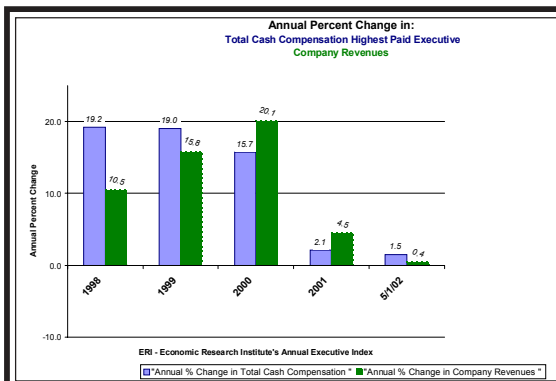
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
1992	7.3	7.4	7.4	7.4	7.6	7.8	7.7	7.6	7.6	7.3	7.4	7.4	
1993	7.3	7.1	7.0	7.1	7.1	7.0	6.9	6.8	6.7	6.8	6.6	6.5	
1994	6.6	6.6	6.5	6.4	6.1	6.1	6.1	6.0	5.9	5.8	5.6	5.5	
1995	5.6	5.4	5.4	5.8	5.6	5.6	5.7	5.7	5.6	5.5	5.6	5.6	
1996	5.6	5.5	5.5	5.6	5.6	5.3	5.5	5.1	5.2	5.2	5.4	5.4	
1997	5.3	5.2	5.2	5.1	4.9	5.0	4.9	4.8	4.9	4.7	4.6	4.7	
1998	4.6	4.6	4.7	4.4	4.4	4.5	4.6	4.5	4.5	4.5	4.4	4.4	
1999	4.3	4.3	4.2	4.4	4.2	4.3	4.3	4.2	4.2	4.1	4.1	4.1	
2000	4.0	4.1	4.0	3.9	4.1	4.0	4.1	4.1	4.0	3.9	4.0	4.0	
2001	4.2	4.2	4.3	4.5	4.4	4.6	4.6	4.9	5.0	5.4	5.6	5.8	
2002	5.6	5.5	5.7	6.0									

Renew Your Subscription Early

If you are a subscriber and have not yet renewed your subscription for next year, a Year 2003 renewal offer accompanies this **ERI Update**. To conserve postage and packaging, ERI sends out the following year's subscription renewal with the last two quarterly releases of the preceding subscription year. Payments received before October 2002 will be at price levels unchanged since 1998.

Executive Compensation

It has been widely reported that executive pay is decreasing in 2002. April/May proxy analyses indicate that this may not be true as can be seen below:



ERI PRODUCT ORDER SHEET

www.eri.com
800.627.3697

ASSESSOR SERIES™ *software databases (annual subscriptions, updated quarterly)*

- Salary Assessor® ERISA** Annual subscription \$789 (UK edition £289). \$ _____
- Relocation Assessor® ERIRA** Annual subscription \$789. \$ _____
- Geographic Assessor® ERIGA** Annual subscription \$789 (UK edition £289). \$ _____
- Executive Compensation Assessor™ ERIXA** Annual subscription \$2,289. \$ _____
- Benefit and Compensation Administration Assessor® ERIBA** Complimentary.
- ERI's Platform Library™ and DLC Wizard™ ERIPL** Complimentary.

REFERENCE SERIES *Single, annual hard-copy editions*

- Geographic Reference Report 2002** \$389. \$ _____
- International Reference Report 2002** \$389. \$ _____
- Enhanced Dictionary of Occupational Titles (eDOT) 2002** \$389 (*hard copy*) \$ _____
CD-ROM \$49 LAN edition \$89

PRODUCT SUITE SERIES

- Full Analyst's Series FAS** Single User License: \$1,889. \$ _____
Annual subscription (four quarterly updates) to **ERISA, ERIRA, ERIGA**
- Complete Consultant's Series CCS** Single User License: \$2,889. \$ _____
Annual subscription (four quarterly updates) to **ERISA, ERIRA, ERIGA, ERIXA**
(*with UK & European editions as available*)

LAN ASSESSOR SUBSCRIPTIONS

- Single Local Area Assessor Series Network Subscription with # of users = _____ \$ _____
Additional 75% for a LAN license. Add 50% for each additional LAN user above 2.

DISTANCE LEARNING CENTER *All ERI courses are delivered exclusively via the Internet. Courses are free. An administrative fee of \$19 per test is required via a credit card on-line at www.eridlc.com for those seeking CPE, CE, PHR, SPHR, or CLE continuing education credit(s).*

Subscriber Annual Web-Based Content Access Fee: \$19.08 \$ _____
(if UK £13.08)

Downloads are available via the Internet www.eri.com

Subtotal \$ _____
 Sales to states of WA and CA add applicable Sales Tax \$ _____
Sales Tax applies only to Reference Series hard-copy reports

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- Payment Enclosed

International orders:
Foreign duties and taxes are the subscriber's responsibility.

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www.eri.com ♦ info@eri.com ♦ US EIN 33-0356443

INSTALLATION GUIDELINES

(See: INSTALLCD.TXT)

NEW SUBSCRIBERS: ORDER/INSTALL ERI'S SOFTWARE FROM THE INTERNET

For those who have access to the Internet, Assessor Series applications (ERIGA, ERISA, ERIRA, ERIXA, ERISA-UK/EU, ERIGA-UK/EU, and eDOT) may be purchased, downloaded and installed from www.eri.com.

1. From ERI's home page (left-hand side, top) click "Subscribe/Order."
2. Complete the required information and follow the instructions to download and install the applications.

ERI's Platform Library & DLC Wizard may also be downloaded and installed from the Internet (at no charge).

1. On the left-hand side of ERI's web site, click "Subscribe/Order."
2. Complete the required information and follow the instructions to download and install the applications.

NEW SUBSCRIBERS: ORDER AND INSTALL ERI'S SOFTWARE FROM A CD-ROM

1. Run ERI's Platform Library & DLC Wizard CD-ROM (see related instructions below).
2. Select **To Install | Order & Install Latest Assessors from this CD.**
3. Complete the Order Form; select the products and the number of subscriptions you would like to purchase.
4. Scroll to the end of the Order Form and click the "Phone Orders - Install from CD-ROM" button.
5. Follow the instructions as they appear on your screen.

The image shows two screenshots. The top screenshot is the ERI website's 'Subscribe/Order' page, featuring a navigation menu with categories like Geographic, Salary, Relocation, Executive Compensation, and References. The bottom screenshot is the CD-ROM interface, displaying a 'Distance Learning Center' with a sidebar menu including Getting Started, Courses, Course Credit, Textbook, DLC Wizard, Policies, and Send Feedback. A central text area describes the online pay practice learning site, and a 'What's New' section highlights 'Earn Continuing Education Credit'.

CURRENT SUBSCRIBERS: UPDATE ERI'S SOFTWARE FROM CD-ROM

1. Run ERI's Platform Library & DLC Wizard CD-ROM (see related instructions).
2. You will be automatically prompted to update the **Assessor Series** software and databases to the new quarterly release. Follow the instructions as they appear on your screen. **Unless you change PCs during a year, you need to enter a License Code only once.**

CURRENT SUBSCRIBERS: UPDATE SOFTWARE FROM THE INTERNET

1. Go to www.eri.com.
2. Click "Dataset Updates." (allow time; CD-ROMs, by comparison, are almost instantaneous)
3. Scroll down the screen and click on the **Assessor Series** product you would like to download, install and update.
4. Follow the instructions as they appear on your screen.

(Please note: It is not necessary to run an installation using a license code each quarter. If you have installed using a license code during the current subscription year at least once, then you may utilize the "automatic update" for all of the following quarters.)

HOW TO RUN ERI'S PLATFORM LIBRARY & DLC WIZARD CD-ROM

1. Check the date printed on the front of the CD-ROM to make sure that it is for the most recent quarter.
2. Place the CD-ROM in your CD-ROM drive and shut the drive door.
3. The CD-ROM should auto-run. (Approximately 5 seconds after you close the drive door; the CD-ROM drive light should start to blink and you should hear the CD-ROM running. After another 5 - 10 seconds, you should see the Platform Library beginning to load on your computer screen.)

If after 30 seconds the CD-ROM does not auto-run, please contact your organization's internal technical support department. Something may be wrong with your CD-ROM drive or the device drivers. Try to run the CD-ROM on another computer or try using the following secondary procedure:

1. Click the Windows Start button.
2. Click Run.
3. Type d:\eri.exe (assuming that d:\ is your CD-ROM drive — type a different drive letter if necessary).
4. Click the OK button.

GENERAL INSTALLATION INFORMATION

ERI's software applications are designed to run on Windows 98, NT, 2000, ME and XP. Each quarter, a CD-ROM is mailed to subscribers from which all software applications may be installed. In addition, all software applications may be downloaded and installed from the Internet. For more information on installation options, please select **Help | Topic Search** from any of ERI's software applications and search for related topics using the keyword "installation," or visit ERI's on-line Technical Support at www.eri.com/techsupport/. (See "Subscriber Resources")

Better yet, sign up for a Thursday morning one-hour telephone conference symposium at www.eri.com/symposiums/ConferenceCalls.

ERI Economic Research Institute, Inc.
U.S. EIN 33-0356443 Duns 60977744 Cage 0XP39

ERI's continuing mission is to provide consistently excellent market pricing information and research relating to compensation, cost-of-living, and benefit issues.

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