

TWENTY-SECOND ANNUAL SURVEY OF THE PROFESSION, PART I: SALARIES

INDIVIDUAL SALARIES RISE ABOUT 7%, BUT MOST MEDIAN SALARIES DROP;
DRASTIC SALARY CHANGES OCCUR AT CONSUMER PRODUCTS, BANKS, INSURANCE CO'S;
NUMBER OF WOMEN & YOUNGER PROS INCREASING, EMPLOYMENT & BUDGETS GROWING

US median salary dropped to \$42,000 in 1986 -- down \$1,000 -- the second decline in two years. Canadians lost \$3,500 of their median salary since last year. (See Table 2.)

Two factors continue to depress median salaries: 1) further feminization of the public relations field, 2) a younger professional workforce.

Women now comprise 42.6% of practitioners -- up 2.6% from last year. (See Table 1.) More young women than men are entering the field. Over three-fifths of the 25-29 age group are women, and the percentage exceeds that of men up to age 39. The historic pattern of men exceeding women prevails starting at 40.

Each age group thereafter shows increasingly higher percentages of men. As extensively reported last year, men's salaries are higher than women's at all ages, but primarily at middle-age level. The US median salary for women is \$35,500, which is \$14,500 lower than men's.

TABLE 1: GENDER & MEDIAN SALARIES BY AGE

Age Groups	% Of Total	%		1986 Median Salary		
		Men	Women	Total	Men	Women
All respondents		55.8	42.6	\$42,000	\$50,000	\$35,500
24 or below	0.8	*	*	*	*	*
25-29	8.0	37.1	62.9	26,750	28,000	26,500
30-34	13.8	39.3	60.7	36,000	36,372	35,500
35-39	19.7	44.1	54.6	40,000	44,750	36,000
40-49	30.4	57.9	38.7	48,500	55,000	40,000
50-59	21.0	74.7	25.5	50,000	55,500	38,690
60-64	4.5	88.6	11.4	55,000	55,500	53,500
65 or over	1.8	92.9	7.1	50,000	50,000	42,000

*Sample too small for valid figure.

Age distribution of practitioners continues to shift to younger groups: 8.8% of practitioners are 29 years old or less compared to 7.3% last year. At the other end of the scale, percentage of those 60 & over dropped to 6.3% from 8.3% last year. Some early retirements & resignations resulted from restructuring public relations departments.

While these trends in the public relations workforce affect overall & industry median salaries, individual salary increases are not affected. Practitioners received an average increase of 7% last year, with a median salary increase of \$3,000.



TABLE 2: COMPARISON OF 1986 AND 1985 MEDIAN SALARIES
OF PUBLIC RELATIONS/PUBLIC AFFAIRS PRACTITIONERS
IN U.S. AND CANADA, AND BY TYPE OF ORGANIZATION

Type of Organization	Median Salary		1986 Salary Range	Median Salary Increase*
	1986	1985		
All US Organizations	\$42,000	\$43,000	\$14,000 - 400,000	\$3,000
All Canadian Organizations	44,500	48,000	18,000 - 200,000	2,500
PR Firms	50,000	53,000	14,000 - 200,000	10,000
Advertising Agencies	40,000	--	19,000 - 72,000	4,000
Advertising Agencies (PR Section)	40,500	42,125	16,200 - 85,000	2,500
Other Consulting	42,000	**	18,000 - 400,000	2,000
Banks	44,000	35,000	16,000 - 72,000	7,000
Insurance Companies	46,500	36,050	33,000 - 115,000	1,000
Other Financial Service Org'ns	47,000	**	21,600 - 65,000	3,000
Consumer Product Companies	41,500	59,100	17,600 - 145,000	5,500
Industrials	53,250	54,000	26,000 - 130,000	3,250
Conglomerates	46,850	56,300	32,000 - 73,000	2,850
Transportation	53,500	**	38,000 - 68,000	4,500
Utilities	54,250	49,500	23,600 - 93,000	5,250
Hospitals	38,000	42,100	15,000 - 150,000	3,000
Educational	33,680	35,000	17,000 - 77,700	2,180
Trade/Professional Ass'ns	40,000	40,100	20,000 - 70,000	3,000
Other Nonprofits	30,510	31,650	14,560 - 82,000	2,510
Government: Federal	41,000	50,000	32,000 - 58,000	3,000
State	30,000	36,400	22,890 - 50,200	2,000
Local	38,805	35,700	26,000 - 50,500	3,305

*Calculated on the difference between 1986 & 1985 salaries as reported by each respondent.

**Sample too small to compute median.

Notes: 1) Salaries are tabulated from 780 valid questionnaires. 2) "Median Salary" and "Median Increase" is the point on the scale at which -- and correspondingly below which -- 50% of the respondents fall. 3) Salaries by type of organization include US salaries only.

INDUSTRY GROUPS EXPERIENCE
MAJOR SHIFTS IN MEDIAN SALARIES

Drastic changes have occurred in the median salary levels of several industries and in their relative standing:

Consumer product companies registered a whopping \$17,600 drop in median salary, despite a higher than average median increase of \$4,400 in individual salaries. The huge drop is partly explained by the age & sex composition of consumer affairs professionals in this grouping: 1) they represent the highest percentage of women among non-financial business organizations, 2) they constitute the youngest workforce -- 62.9% are below 40. (See Table 3.)

Other reasons also account for their low median salary. 3) Consumer product companies are "leaner and meaner." They've undergone a "significant reorganization," including staff reductions. In one respondent's company, three pros were lost. In another, the staff was reduced by 75%. 4) Reduced fear of consumer legislation and consumerist activity accounts for the general lower priority given to consumer affairs.

Insurance, banks and other financial service organizations are narrowing the salary gap between themselves and other business organizations. The insurance industry median rose the most: \$10,450. This increase helped it recover from the abnormally low median of \$36,050 last year, placing it more in line with the 1984 median of \$43,000. Insurance companies are hiring more expensive marketing-oriented practitioners predisposed to aggressive & competitive policies rather than, as one practitioner states, being "a media servicing" group. The public affairs function also continues to be strengthened here.

For the first time, utilities register the largest median salary of all industry groups -- \$54,250.

Altho public relations firms' median salary fell to \$50,000 from last year's \$53,000, individual salary increases were the highest of all industry groups: \$10,000. Competition for qualified personnel in the face of increasing demand for consulting services largely accounts for this improvement. A growing number of corporate departments are transferring work to firms. Senior people, who are relatively high earners, predominate in this group -- 64.3% are 40 years old or more, about the same percentage as last year.

Nonprofits continue to rank lowest in median salaries. The rise in hospitals' median salary peaked last year at \$42,100, dropped to \$38,000 this year. Range widened, however, with the highest salary at \$150,000. Individual salaries rose by a median of \$3,000, same as the national average.

TABLE 3: INDUSTRY DIFFERENCES IN EMPLOYMENT OF YOUNG PRACTITIONERS

<u>Industry Group</u>	<u>% Practitioners Age 39 or Less</u>
Consumer Product Cos.	62.9
Hospitals	56.3
Ad Agencies (PR Section)	55.5
Other Nonprofits	51.6
Local Government	50.0
Trade or Professional Ass'ns	49.0
Other Financial Svc Org'ns	46.2
Banks	45.8
Ad Agencies	45.5
Transportation	42.9
Insurance	40.0
Utilities	37.5
Industrials	36.6
PR Firms	35.7
Educational	31.9
State Government	27.6
Conglomerates	25.0
Federal Government	17.7
Other Consulting	14.2

Among government practitioners, federal level continues to have the highest median, \$41,000 -- tho it's \$9,000 lower than last year. State level median is lowest, \$30,000. Local median rose to \$38,805 from \$35,700 last year.

HIRING & BUDGETS:
OPTIMISTIC TRENDS

Employment of
pr pros con-
tinues to in-

crease but at a slower pace than last year. Those respondents reporting "more" hiring (25.3%) exceed those reporting "less" hiring (11.6%). (See Table 4.) Greater stability in employment is evident in the high percentage who report the situation as "about same" -- 63.1% this year vs. 55.7% last year.

TABLE 4: CHANGES SINCE LAST YEAR IN BUDGETS & NUMBER OF PROFESSIONALS

	<u>More</u>	<u>Less</u>	<u>About Same</u>
No. of Professionals	25.3%	11.6%	63.1%
Total PR Budget	52.3	15.0	32.7

Budgets are increasing faster than employment, as shown by the 52.3% reporting budgets that are "greater" vs. only 15% reporting "less" and 32.7% reporting "same."

STATUS OF PUBLIC RELATIONS
HOLDING STEADY

By measuring 1) percentage of practitioners who are officers and 2) use of public relations as the preferred departmental designation, the secure status

of public relations is apparent. 20% of top level practitioners have a vice presidential rank, about the same as last year. (See Table 5.)

Most practitioners, however, (45%) carry the title of director or manager, a slight increase over last year.

TABLE 5: MEDIAN SALARY OF PRACTITIONERS BY TITLE

<u>Title/Level</u>	<u>% of All Titles</u>	<u>Within Each Title</u>		<u>Median Salary</u>
		<u>% Men</u>	<u>% Women</u>	
Pres (of Counseling Firm)	12.8	63.0	36.0	\$54,000
Exec or Sr VP	4.0	74.2	22.6	65,000
VP	10.6	65.1	31.3	60,000
2nd or Ass't VP	4.1	53.1	46.9	45,000
Director or Mgr	45.1	53.4	44.9	42,900
Head of Section	7.9	59.7	38.7	36,000
Top PR/PA Position on Divisional, Regional or Plant Level	2.9	60.9	39.1	37,800
Account Exec	5.5	46.5	51.2	31,000
Professional Specialist	4.1	21.9	78.1	26,000

Public relations is the name used by 40.7% of respondents as their departmental designation. (See Table 6.) Communications is the second most preferred (29.1%). Public affairs the third (12.3%).

GENDER & AGE STATS

Hospitals

& "other financial service org'ns" are most receptive to employing women, followed by "other non-profits." Men continue to dominate non-financial business org'ns as well as federal gov't, pr firms & ad agencies. (See Table 7.)

TABLE 6: NAME OF DEPARTMENT

<u>Department</u>	<u>%</u>	<u>Department</u>	<u>%</u>
Public Relations	41.3	Marketing/Advertising	8.3
Communications	28.2	Public Information	5.8
Public Affairs	13.3	Community Relations	1.4

TABLE 7: INDUSTRY RANKINGS IN EMPLOYMENT OF MEN AND WOMEN

<u>Employing 50% or More Women</u>		<u>Employing 60% or More Men</u>	
<u>Industry Group</u>	<u>%</u>	<u>Industry Group</u>	<u>%</u>
Hospitals	72.9	Federal Government	88.2
Other Financial Svc Org'ns	61.5	Utilities	75.0
Other Nonprofits	60.0	Conglomerates	75.0
Consumer Product Companies	59.3	Ad Agencies	72.7
Banks	54.2	Industrials	72.0
		Other Consulting	71.4
		Insurance	70.0
		PR Firms	60.7
		Local Government	60.0

Most practitioners are between 40-49 years of age -- 30.4% fall in this age category. The next largest group is in a yet older category, 50-59, with 21%.

As shown in Table 1, salaries increase with age, especially below the age of 49. Rises are lower after age 50. Salaries drop after age 65. Because of the close relationship to age, similar increases are reflected in salary levels by years in public relations. (See Table 8.)

TABLE 8: MEDIAN SALARIES BY YEARS IN PR

<u>Years In PR</u>	<u>Total</u>	<u>Men</u>	<u>Women</u>
1 year or less	\$27,000	*	\$26,000
2-3 years	26,500	\$29,900	25,000
4-5	30,000	32,000	28,800
6-9	35,500	39,098	34,000
10-14	42,800	46,000	39,500
15-19	50,000	55,000	44,300
20-29	55,000	60,000	50,000
30-39	58,250	58,250	35,000
40 or more	60,000	60,000	*

*Sample too small for valid figure

SALARY LEVELS BY EDUCATION & REGION The majority of practitioners hold at least a bachelor's degree, 57.7%. But 3 of 10 now hold master's degrees and 3.5% hold Ph.Ds. The latter earn the highest median salary, \$45,800, with bachelor degree holders following with \$43,250.

Education is increasingly becoming the route to pr jobs, replacing the historic pattern that practitioners are former print journalists. Now about equal numbers report their backgrounds as "student or always worked in pr" as do "Newspaper or wire service." Another significant trend is the increasing number of practitioners who report backgrounds in marketing, advertising or sales. (See Table 11.)

As reported last year, regional gaps are closing. This year it is only \$4,000, with the Northeast at the highest level earning \$44,000 and the South at the lowest, \$40,000. (See Table 10.)

TABLE 9: SALARIES BY EDUCATIONAL LEVEL

<u>Level</u>	<u>% In Each Level</u>	<u>Median Salary</u>		
		<u>Total</u>	<u>Men</u>	<u>Women</u>
High School	0.8	*	*	*
Some College	7.3	\$38,500	\$43,000	\$36,574
Bachelor's Degree	57.7	43,250	51,600	35,000
Master's Degree	30.4	42,000	47,000	36,000
Ph.D.	3.5	45,800	44,500	49,500

*Sample too small for valid figure

TABLE 10: MEDIAN SALARIES BY REGION

<u>Region</u>	<u>Median Salary</u>
West	\$42,400
Northeast	44,000
South	40,000
Midwest	42,750

Geographic Regions

Northeast: Ct, Maine, Mass, RI, Vt, NH, NJ, NY, Pa.

Midwest: Ohio, Ind, Mich, Wis, ND, SD, Minn, Neb, Kans, Okla, Iowa, Ill, Mo.

South: Va, WV, Ky, Tenn, NC, SC, Ga, Ala, Fla, Miss, La, Tx, Del, Ark, DC

West: NM, Colo, Idaho, Utah, Mont, Ariz, Calif, Nev, Ore, Wash, Alas, Hawaii, Wy.

TABLE 11: OCCUPATION BEFORE ENTERING PR

<u>Occupation</u>	<u>%</u>
Newspaper/Wire Services	40.6
Student/Always In PR	39.7
Marketing/Advertising/Sales	14.1
Broadcasting	4.7
Film/Photography	0.4
Other Staff Units	0.4

TABLE 12: PR BUDGET TOTALS

<u>Budget</u>	<u>%</u>
\$30,000 or less	4.2
\$31,000 - 75,000	9.9
\$76,000 - 110,000	8.4
\$111,000 - 300,000	24.5
\$301,000 - 500,000	15.4
\$501,000 - 700,000	7.3
\$701,000 - 1 million	11.2
more than \$1 million	19.1

TABLE 13: TITLE PRACTITIONERS REPORT TO

<u>Title</u>	<u>%</u>
CEO/Chairman or President	38.3
Director/Manager	20.2
VP	14.8
Sr/Exec VP	12.9
Self Employed	8.2
Head of Firm	3.1
Head of Section	2.6