

24TH ANNUAL SURVEY OF THE PROFESSION, PART I: SALARIES & DEMOGRAPHICS

U.S. MEDIAN SALARY STAYS AT \$45,000; BIG WINNERS AND LOSERS:
ASSOCIATIONS, PR FIRMS & STATE GOVERNMENT GAIN IN MEDIAN SALARIES;
DROPS ARE SEEN IN CONSUMER PRODUCT COS., BANKS, OTHER FINANCIAL SVCS
& INSURANCE COS.; RATIO OF MEN & WOMEN IN PR ALMOST EVEN

The US median salary stands at \$45,000, the same level as last year (see Table 2, pg. 2). The stagnant median salary indicates further restructuring of the work force toward lower-paid younger and female personnel.

For the second year, the Canadian median salary dropped: from \$40,000 in 1987 to \$38,700 this year. In 1986 it stood at \$44,500. The drop in the median does not augur bad times for public relations in Canada. Quite the contrary, according to Tag Watson, CPRS pres. The lower median largely reflects the employment of more practitioners, particularly in cities like Toronto where demand for services is brisk. It also indicates the changing composition of the work force toward younger personnel. Mobility is also high in some areas and organizations, e.g., replacing a practitioner who decides to open his own consulting firm results in the hiring of a new person who earns \$15,000 less.

The male/female ratio is almost even. Women now account for 48.1% of all practitioners, up 3.2 percentage points from last year, a higher climb than the 2.3 points from 1986 to 1987. At this rate, women should outnumber men by next year. The percentage of women increases with each drop in age category, starting with 60-64 and going to 25-29. Of women practitioners, 37.2% are below the age of 35 vs. only 14.2% of men. Women in the middle-aged groups, 35-49, account for 47.7% of total women; men in the same age groups account for about the same percentage of the total, 45.5%. But women age 50 and above represent only 15.1% of total women vs. 40.9% of men at that age. (cont'd on page 3)

TABLE 1: MEDIAN SALARIES BY AGE AND GENDER

Age Groups	% of Total	% Men	% Women	Median Salary		
				Total	Men	Women
All Respondents		51.9	48.1	\$45,000	\$54,250	\$37,000
24 or below	1.3	23.1	76.9	21,000	21,000	20,500
25-29	8.6	22.0	78.0	29,300	27,800	30,000
30-34	14.6	34.1	65.9	35,850	37,000	35,000
35-39	15.7	39.7	60.3	43,250	51,500	38,300
40-49	30.5	56.3	43.7	50,000	58,000	43,000
50-59	20.1	73.7	26.3	54,300	56,500	40,000
60-64	5.3	83.0	17.0	60,000	65,000	41,000
65 or over	3.3	66.7	33.3	50,000	54,000	44,500
No response	0.5					



TABLE 2: COMPARISON OF 1988 AND 1987 MEDIAN SALARIES OF
TOP LEVEL PUBLIC RELATIONS/PUBLIC AFFAIRS PRACTITIONERS
IN U.S. AND CANADA, AND BY TYPE OF ORGANIZATION

<u>Type of Organization</u>	<u>Median Salary</u>		<u>Salary Range</u>	<u>Median</u>
	<u>1988</u>	<u>1987</u>		<u>Salary Increase*</u>
All US Organizations	\$45,000	\$45,000	\$14,000-260,000	\$3,000
All Canadian Organizations	38,700	40,000	16,100- 80,000	1,000
PR Firms	56,000	48,000	15,000-250,000	8,000
Advertising Agencies (PR Section)	42,500	41,000	14,000-125,000	4,000
Other Consulting	57,000	45,000	16,000-150,000	7,000
Banks	34,500	45,000	21,000- 86,000	3,000
Insurance Companies	42,000	45,000	22,000- 99,000	2,250
Other Financial Service Org'ns	43,000	48,000	22,000-100,000	2,000
Consumer Product Companies	43,000	59,000	24,000-125,000	4,000
Industrials	59,500	56,000	16,000-190,000	2,750
Travel/Tourism	33,000	29,000	18,600-126,250	5,000
Transportation	50,000	-----*	30,000- 75,000	-----*
Utilities	50,100	50,675	25,000- 98,000	1,200
Healthcare-Hospital	38,750	36,000	18,300- 77,500	4,150
Healthcare-Other	45,000	40,500	20,000-167,500	500
Education-Administration	41,700	40,000	20,000- 90,000	1,700
Education-Academic	36,000	31,750	23,500- 69,000	1,000
Trade/Professional Assns	51,000	41,000	21,500-140,000	11,000
Social Services/Nonprofit	31,500	30,000	16,000-130,000	3,500
Government: Federal	42,000	43,000	26,000- 59,200	700
State	39,400	33,500	18,100- 65,000	1,400
Local	35,000	38,450	30,000- 60,000	1,000

* Calculated on the difference between 1988 median salaries and median "last year salary."

** Sample size is too small to compute median.

Canadian respondents were asked to state salaries in US dollars.

Notes: 1) Top level positions include all supervisory positions; excluded are professional specialists and account executives. Sample size is 969. 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 org'n include U.S. salaries only. 4) Total sample size is 969.

Not only does the employment preference look favorable for young women, so does the salary comparison. As shown in Table 1, women in the 25-29 age range actually earn \$2,200 more than their male counterparts. Salaries for entry-level men & women are about equal (with men earning an insignificant \$500 more). But in all higher age categories, women earn less than men. Since past entry of women into the public relations field is now reflected in higher proportions of women in older age categories, the overall median salary differential between men & women has widened to \$17,250 from last year's \$15,000 difference.

MALE AND FEMALE BASTIONS OF EMPLOYMENT

The growing length of the list in Table 3 showing which industries employ 55% or more women is dramatic evidence of the feminization of public relations. Added to this year's list are consumer product companies, local government, other financial companies, banks, and insurance companies. Remaining high on this list are healthcare-hospitals, travel/tourism and state government. Only one industry was added to the list showing employment of 55% or more men: trade/professional associations. Employing the highest percentage of male personnel are industrials, education-academic, federal government and utilities.

INDUSTRIAL AND CONSULTING FIRMS PAY HIGHEST SALARIES; ASSOCIATIONS RECORD GREATEST GAINS

Salaries among industrial companies have traditionally been the highest and continue to hold the lead. But consulting firms are rapidly catching up as corporate restructuring leads not only to downsizing of staffs, but contracting some public relations projects to counseling firms.

Trade/professional associations show a \$10,000 rise in median salary to \$51,000 in 1988. One explanation is that as many corporations are closing their Washington offices, associations are taking over some of the tasks previously performed by them. Frank Martineau of Association Trends (Bethesda, Md) attributes the increase to the fact associations are gaining in importance. "Because associations are becoming more valuable, there is constant pressure for more increases." Martineau emphasizes that the increases are evident thruout the payroll, not just in the pr department. "The association salaries have increased all the way down the line. All boats rise & pr is just following the lead." Martineau, who defines the association as "a pr firm with just one client," says associations look to the government salary index for guidance. "There has been a 4.1% increase for federal workers which means there will be a comparative increase for associations. We have to stay competitive with the federal government."

TABLE 3: INDUSTRY RANKINGS IN
EMPLOYMENT OF MEN & WOMEN

<u>Employing 55% Or More Women</u>	<u>%</u>
Healthcare-Hospitals	77.1
Travel/Tourism	71.4
State Government	70.0
Consumer Product Cos.	62.2
Local Government	60.0
Other Financial	60.0
Insurance	59.3
Social Services/Nonprofit	59.0
Banks	58.8
Healthcare-Other	57.1
Education-Administration	55.4
<u>Employing 55% Or More Men</u>	
Industrials	72.2
Education-Academic	70.8
Federal Government	70.0
Utilities	64.2
Consumer Product	62.2
PR Firms	59.2
Trade/Professional Ass'ns	57.7
Advertising Agencies	50.0

FINANCIAL SERVICE ORGANIZATIONS' MEDIAN SALARIES DROP

The median salary of banks fell to \$34,500 from last year's \$45,000. Insurance companies show a \$3,000 drop, other financial service companies a \$5,000 decrease. Bank failures and reorganizations plus the fallout of the October stock market crash contribute to turbulence in the financial industry & an instability in salaries. Also, the general trend toward the hiring of younger and female personnel is much more pronounced in this industry group than others, as further explained on page 3.

Another explanation for the decrease is the shifting of higher-paid jobs from public relations to other areas. John Goodier, Bank of Delaware: "Here in Delaware there are 3 major banks. Only one has a pr person. What we're seeing here is that banks are assigning public affairs functions to people in other departments, such as marketing." Goodier says the salary drop is due to public relations assignments being given to newcomers fresh out of school.

From First Bank of California (San Francisco), a pr spokesperson who asked to remain anonymous said he didn't notice any such trend and his people were given raises over the past year. Mary Ullrich of Harris Bank (Chicago) agrees. "If I were to hire someone now, I would expect to pay them more than their incumbant had been receiving at the time of his or her retirement." Ullrich does emphasize that she hasn't hired anybody in quite sometime.

IT PAYS TO HOLD A MASTER'S DEGREE

The 28.7% of practitioners who hold a master's degree have a median salary of \$50,000 vs. bachelor's degree holders who earn a median of \$43,000, \$7,000 less (see Table 4). The vast majority of practitioners, however, hold a bachelor's

<u>Level</u>	<u>Percent of Total</u>	<u>Median Salary</u>		
		<u>Total</u>	<u>Men</u>	<u>Women</u>
High School	0.3	\$39,500	\$35,000	\$39,000
Some College	6.2	46,000	56,000	41,000
Bachelor's Degree	61.0	43,000	53,750	35,000
Master's Degree	28.7	50,000	55,000	41,800
Ph.D.	3.8	49,200	55,000	48,000

degree, now 61%, while 28.7% -- slightly less than last year -- hold a master's degree. Note that those with doctorates earn less.

Journalism is the predominant major of most BS/BA holders (32.7%), followed by communications (13.3%) and public relations (3.5%). Most of the other majors are scattered throughout liberal arts, management, education, and a few miscellaneous ones like agriculture and engineering. Among MS/MA holders, the percentage of journalism majors is lower (only 15.6%) while communication and public relations majors are more numerous (19.7% and 8.6%, respectively). The additional major finding reported last year, namely, that a high percentage of master's degree holders major in business administration or management, is even more pronounced this year: 25.7% this year vs. 22.5% last year.

SALARY DIFFERENCES BY REGION, YEARS IN PR AND TITLE

Every region of the US -- North-east, North Central, West & South has the identical median salary of \$45,000. For several years, regional salary differences have been fading. Last year, only the Northeast led other regions.

Now a

national public relations labor market appears to exist.

As expected, salaries rise with increasing years of experience. This rule applies to both men & women except for a drop in salaries in the "most experience" category, which is 40 or more years for men & 30-39 years for women.

TABLE 5: MEDIAN SALARIES OF MEN AND WOMEN BY YEARS IN PR

Years in PR	% of Total	Men	Women	Median Salary		
				Total	Men	Women
1 yr or less	1.8	35.3%	64.7%	\$24,150	-----*	\$22,000
2-3 years	4.2	34.1	65.9	29,400	\$32,000	28,500
4-5 years	8.5	25.6	74.4	30,000	33,000	30,000
6-9 years	18.2	34.7	65.3	37,000	43,000	34,400
10-14	22.3	37.0	63.0	43,600	54,000	40,000
15-19	15.1	52.7	47.3	50,000	56,100	45,000
20-29	20.9	84.2	15.8	57,000	58,000	53,000
30-39	7.4	83.3	16.7	63,600	65,000	44,000
40 or more	1.3	84.6	15.4	51,000	52,000	-----*

*Sample too small for valid figure

TABLE 6: MEDIAN SALARY OF MEN AND WOMEN BY TITLE

Title/Level	Within Each Title			Median Salary		
	Total	Men	Women	Total	Men	Women
President (Of Counseling Firm)	11.2%	66.1%	33.9%	\$60,000	\$66,250	\$60,000
Consultant/Counsel	1.9	50.0	50.0	36,000	55,500	30,300
Account Executive	1.7	37.5	62.5	27,800	26,000	29,500
Exec Or Senior VP	2.4	69.6	30.4	69,000	76,000	50,000
Vice President	10.3	71.0	29.0	64,750	71,000	60,000
2nd Or Ass't VP	1.2	75.0	25.0	61,000	57,000	-----*
Director Or Manager	46.8	46.3	23.7	43,000	52,000	38,500
Editor	0.6	66.7	33.3	43,500	55,000	35,000
Coordinator/Supervisor	5.0	37.5	62.5	35,000	38,800	32,450
Officer	3.7	44.4	55.6	35,000	39,000	30,250
Professor	1.9	77.8	22.2	35,500	40,500	30,300
Professional Specialist	2.8	25.9	74.1	32,000	43,000	30,500
Other	1.0	57.1	42.9	44,000	47,750	35,000

*Sample too small for valid figure

Men earn more than women at all levels of experience in pr. The differential -- \$3,500 for those who have worked 2-3 years -- rises to \$8,600 gap at the 6-9 years level, \$14,000 at the 10-14 years level and, after some lesser differences, to a whopping \$21,000 differential at the 30-39 years level (see Table 5). Stated differently, women with only a few years of experience earn 89% of what men earn, while senior women with over 30 years of experience earn only 67.7% of what men earn. Historically, the lower salary relative to men that a woman receives when first hired tends to keep her salary depressed thruout her career.

ORGANIZATIONAL STATUS OF PUBLIC RELATIONS DECLINES SLIGHTLY

A lower percentage of practitioners hold vice-presidential positions compared to last year -- 13.9% vs. 19.0%, reversing last year's increase in such positions (see Table 6). Another sign of decline in status is that a smaller percentage than last year report to the board, the CEO, or senior/executive vice president -- 50.9% vs. 56.2% (see Table 7).

Table 6 also shows that the percentage of women substantially exceeds that of men in three lower-level positions: professional specialist (74.1%), coordinator/supervisor (62.5%), and account executive (62.5%). On all vice presidential levels and among professors, men outnumber women seven to three.

TABLE 7: TITLE PRACTITIONERS
REPORT TO

<u>Title</u>	<u>%</u>
Board of Directors	0.9
CEO	35.7
Sr/Exec VP	14.3
VP	17.7
Director/Manager	21.8
Supv./Manager	4.4
Other	5.2

SIZE OF PR STAFFS AND BUDGETS

TABLE 8: CHANGES SINCE LAST YEAR
IN NUMBER OF PROFESSIONALS
AND BUDGETS

	<u>More</u>	<u>Less</u>	<u>Same</u>
# Of Prof'ls	23.1%	10.3%	64.8%
Total PR Bdgt	41.5%	11.4%	38.0%

TABLE 9: PROFESSIONAL STAFF SIZE

<u>Number</u>	<u>Percent</u>
1	19.5
2 - 4	38.5
5 - 9	15.2
10 - 49	19.3
50 - 99	1.8
100 Or Over	2.4
No Responses	2.1

TABLE 10: BUDGETS OF
COUNSELING FIRMS AND
OTHER ORGANIZATIONS

<u>Budget Size</u>	<u>Counseling Firms</u>	<u>Other Org'ns</u>
Under \$50,000	4.8%	5.8%
\$50,000 - 99,999	6.4	8.5
\$100,000 - 249,999	10.8	16.0
\$250,000 - 499,999	14.0	14.1
\$500,000 - 749,999	7.6	8.9
\$750,000 - 999,999	3.2	3.1
\$1 Million Or More	40.4	19.8
Don't Know/NA	3.2	8.9
No Response	9.6	14.9

Three industries reporting most hiring of professionals: pr firms (38.5%), other consulting firms (32.1%), adv'g (30.6%). PR firms grew 4.5 points more than last year. Growth in employment was lowest for healthcare- hospitals (6.3%), state gov't (9.1%), local gov't (11.1%), industrials (13.4%).