

Sample

2011 IT Salary+Skills Pay Survey Report

SAP

2011 Quarterly Edition/U.S.

**Compensation data in this report
is updated four times per year:**

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Sample

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Methodology and Use of Foote Partners' **Sample** 2011 IT Insider IT Professional Compensation Reports

How does Foote Partners collect IT compensation data?

Rapidly evolving information technology jobs are so unique in the universe of business employment that using passive surveying methods to obtain compensation benchmark data now yields extremely inaccurate results. Why? Because of the massive (and dreaded) mismatch problem that now exists between IT job titles and what professionals actually do on-the-job. These days it is common to find Linux, Unix, and NT administrators lumped together under a single "Systems Administrator" titles. Or .NET, Java, Python, Ruby on Rails, and even Cobol specialists all with "Programmer" or "Developer" titles. The problem is that some skills are worth more in the marketplace, so doing simple job title matches to industry salary surveys often results in underpaying or overpaying IT professionals.

The "job title thing" is an epidemic widely acknowledged by HR compensation professionals and IT salary surveyors alike. It affects more than half of all employed IT workers by even the most conservative estimates from HR departments. Making the situation worse is that compensation surveys from the largest HR consulting firms, including Towers Perrin, William M. Mercer, Watson Wyatt, Hewitt, and Aon/Radford among others, don't offer a solution via their off-the-shelf products. Employers must contract with them for expensive custom survey consulting.

Our solution more than sixteen years ago was to create a new methodology that produced the first salary surveys in North America to define and benchmark "new breed" IT positions and job families in Data Warehousing/Business Intelligence, Unix, NT, Web/I-net, e-Commerce, and Business Technology (1994 to 1995) and Information Security, SAP and other enterprise software applications (1997 to 1998).

The best part about our unique methodology is that it corrects for job title/job content mismatches by reclassifying surveyed participants according to what they do on-the-job and assigning to them our standardized job titles before their pay data is loaded into our survey data compilation engine. Then you just need to match your people to our job descriptions.

It's a labor-intensive and expensive way to achieve truly accurate and validated compensation benchmarking, and it requires a deep grounding in technology and the nuances of IT professional employment. In addition to that unique grounding, Foote Partners uses its unprecedented access to 101,250 IT workers in more than 2,000 public and private sector employers to overcome the many obstacles to accurate tracking of IT compensation and workforce issues. Overall, our methodology produces **better data screening and cleansing, superior statistical reliability and validity, and** constantly refreshed and consistent 'real world' salary and tech skills pay data. *No other IT compensation survey research firm today publishes off-the-shelf surveys that use these IT job title alignment methods.*

Methodology and Use, cont.

Sample

IT infrastructure positions originally formed the strong foundation for our research, however Foote Partners' competitive distinction has long been its focus on critical new strategic and tactical positions often unreported (or under-reported) in other IT surveys. Findings are updated continuously and published every three months (but weekly to our retainer accounts), aided by our constant flow of confidential IT compensation data from North American public and private sector employer HR departments and IT, HR, and business executives research partners.

Our relationships with our research partners have been forged over many years: developed from among the clients, colleagues, and associates of our senior research team of former McKinsey & Company, Towers Watson, Gartner and META Group consultants and analysts. We have access not only to their IT compensation databases but to management and rank-and-file workers, which facilitates the matching of job content with comparable job titles that enables the extraordinary accuracy and reliability of our surveys.

We survey salaries and skills pay job-by-job, city-by-city: 132 positions, 83 cities in the United States and Canada. There are no geographic multipliers used in our research, no cost-of-living coefficients. Ours is constantly refreshed 'real world' salary and skills pay data.

Research participant metrics

IT compensation data for our latest 2011 research findings (collected through **January 1, 2011**) represents more than 40 private sector industries plus government and educational institutions surveyed every three months. The size of the participating organizations, measured most appropriately for the type of business, by revenues, assets, total premiums and operating budgets, are as follows

- 18% of participating organizations have \$3 billion+ in sales/\$15+ billion in total assets
- 28% of participating organizations earn more than \$1 billion in annual revenues or more than \$3 billion in total assets
- 46% of participating organizations have \$500+ million in sales/\$1+ billion in total assets/\$500+ million in premiums/\$500+ million operating budget (government, educational, not-for-profit)
- 54% of participating organizations fall in the SMB (small-to-medium sized business) segment, generally defined as organization under \$500 million in sales.
- [Public sector] 5% have operating budgets of \$500 million or more, [nonprofit/educational sectors] 4% with operating budgets \$100 million to less than \$500million

Methodology and Use, cont.

Sample

Industry Pay Differentials

In each target city or labor market, Foote Partners surveys those employers that have a significant influence on local employment. The most frequent industries surveyed appear in the table below.

Foote Partners standard salary survey reports include detailed long form job descriptions and salaries, by job title, for up to 83 cities or metro areas. Within job titles we do not report salaries by industry, but instead across all industries. Customers may make adjustments for specific industries by using our *industry multipliers*. We calculate industry multipliers for this purpose twice annually, by taking all survey salary data and computing relative values by industry (1.00 = average of all industries).

Compensation data in this report may be adjusted by applying the appropriate multipliers shown below, however be advised that individual jobs may not necessarily behave like other jobs within any given industry.

Industry Salary Adjustments for FP Base Salary Data – 2011

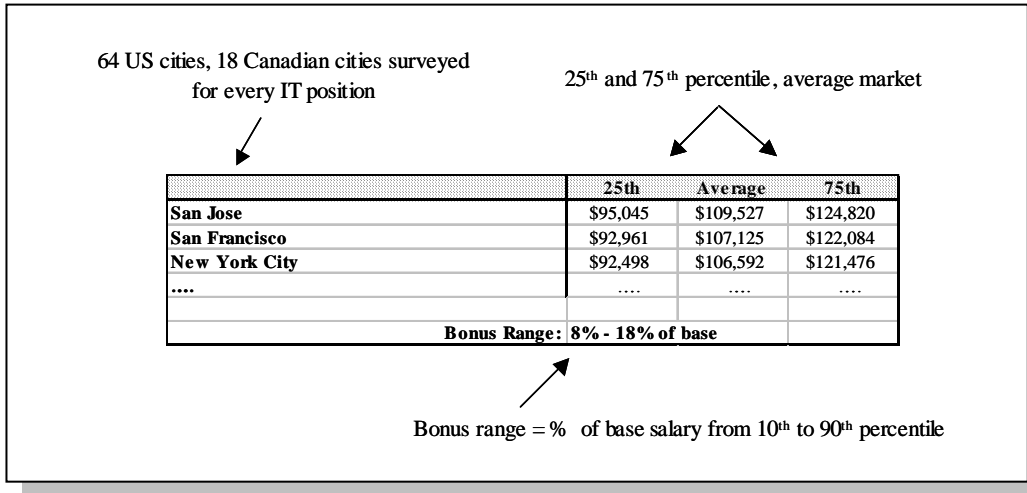
| Factor | Industry | Factor | Industry |
|--------|---|--------|------------------------------------|
| 1.18 | Government(Federal/Defense) | 0.99 | Household/Personal Products |
| 1.17 | Pharmaceuticals/Biotech | 0.99 | Media/Publishing |
| 1.16 | Diversified Systems Integrators/IT Services | 0.98 | Telecommunications/Carrier |
| 1.15 | Diversified Financial Services | 0.97 | Entertainment/Recreation/Amusement |
| 1.14 | Business Services/For Profit | 0.96 | Food/Beverage/Tobacco |
| 1.13 | Research and Development | 0.96 | Logistics/Transportation |
| 1.12 | ISP/ASP | 0.96 | Metals/Natural Resources |
| 1.11 | Software/Services | 0.96 | Healthcare Services/Medical Equip. |
| 1.10 | Electronics | 0.93 | Manufacturing/computer-related |
| 1.09 | Insurance | 0.92 | Advertising |
| 1.09 | Energy/Mining | 0.91 | Manufacturing/noncomputer-related |
| 1.08 | Petrochemicals | 0.91 | Motor Vehicles and Equipment |
| 1.07 | Consumer Durable Goods | 0.87 | Real Estate |
| 1.06 | Utilities | 0.85 | Construction |
| 1.05 | Telecommunications/Data Services | 0.83 | Government(Local) |
| 1.03 | Aerospace | 0.83 | Retail/Wholesale Distribution |
| 1.03 | Commercial Banking/Securities | 0.81 | Government(State) |
| 1.02 | Hospitality/Leisure | 0.76 | Not-for-profit |
| 1.00 | AVERAGE - ALL INDUSTRIES | 0.72 | Education |

Methodology and Use, cont.

Sample

Presentation of Survey Data

Base salary and bonus



Sample

Cities and Metropolitan Areas Surveyed – 2011 Research

(This report is available with either **Tier 1** or **Tier 2 U.S. cities**)

Canadian Cities

| | | | |
|----------------|------------------|---------------------|---------------|
| Calgary, ALTA | London, ONT | Quebec, QUE | Toronto, ONT |
| Edmonton, ALTA | Mississauga, ONT | Regina, SASK | Vancouver, BC |
| Halifax, NS | Montreal, QUE | Saskatoon, SASK | Windsor, ONT |
| Hamilton, ONT | Oshawa, ONT | St. Catherines, ONT | Winnipeg, MAN |
| Kitchner, ONT | Ottawa, ONT | | |

Tier 1 Cities(U.S.)

| | | | |
|-------------|---------------------------|---------------------|--|
| Atlanta, GA | Houston, TX | New York City, NY | San Jose, CA |
| Boston, MA | Los Angeles/Orange Cty,CA | Philadelphia/So. NJ | Seattle, WA |
| Chicago, IL | Miami, FL | Phoenix, AZ | St. Louis, MO |
| Dallas, TX | Minneapolis, MN | San Diego, CA | Washington, DC |
| Detroit, MI | New Jersey/Northern | San Francisco, CA | Westchester County, NY/ Lower Fairfield Cty, CT |

Tier 2 Cities(U.S.)

| | | | |
|--------------------------|--------------------------------------|--|---------------------------------------|
| Albuquerque/Santa Fe, NM | Greensboro/Winston-Salem,NC | Nashville, TN | Princeton/So. NJ |
| Austin, TX | Greenville/Spartanburg /Anderson, SC | New Orleans | Providence, RI |
| Baltimore, MD | Hartford, CT | Norfolk/Virginia Beach/ Newport News, VA | Raleigh/Durham, NC |
| Birmingham, AL | Indianapolis/Ft Wayne | Oakland/Walnut Creek/Concord CA | Richmond, VA |
| Charlotte, NC | Kansas City, MO | Oklahoma City, OK | Sacramento, CA |
| Cincinnati, OH | Las Vegas, NV | Omaha, NE | Salt Lake City, UT |
| Cleveland/Akron,OH | Long Island, NY | Orlando, FL | San Antonio, TX |
| Columbus, OH | Louisville, KY | Peoria, IL | San Diego, CA |
| Colorado Springs, CO | Madison, WI | Pittsburgh, PA | Tampa, FL |
| Dayton, OH | Memphis, TN | Portland, OR | Tulsa |
| Denver, CO | Milwaukee, WI | | Upper Fairfield County/ New Haven, CT |
| Des Moines, IA | | | |
| Grand Rapids, MI | | | |

Sample

SAP Base Salaries and Bonus Ranges

- VP/Director, SAP Program Management
- SAP Project Manager
- SAP Master Data Manager
- SAP Functional Analyst (SME)
- SAP Business Analyst
 - Sr. SAP Business Analyst
 - SAP Business Analyst
- BASIS Administrator
 - Sr. BASIS Administrator
 - BASIS Administrator
 - Jr. BASIS Administrator
- ABAP Developer
 - Sr. ABAP Developer
 - ABAP Developer
 - Jr. ABAP Developer

Computing Compensation by Industry

The data in the following section are not industry-specific, but span all industries surveyed in the city or metro area specified. The salaries displayed can be adjusted for any single industry by using the multipliers on page 5, which are computed by Foote Partners analysts from industry segmentation encompassing all 2010 surveyed IT positions.

Sample

(Pages 9-31 missing)

SAP Functional Analyst (SME)

Sample

Dedicated to a specific SAP module or subject matter area (functional, industry, solution), this position is involved in the design and implementation of configurable technology enabled business solutions. Translates end-user system requirements into system designs and solutions, effectively collaborating with business partners, sponsors, executives, users, and the internal IT group. Responsibilities include, among others, defining business and systems strategy, developing system requirements, designing and prototyping, testing, training, defining support procedures and implementation. Responsible for the business process development and configuration in relevant SAP modules. Provides operational support by resolving system issues and implementing approved enhancements. Works closely with customers, colleagues, and other stakeholders to identify requirements and seek opportunities to extend the SAP footprint that will improve business processes and support critical business strategies. Recommends and implements SAP "best practices" solutions, monitoring and managing user requests. Overall, serves as a key resource for day-to-day and on-going activities in the SAP subject domain

Responsibilities

- Works directly with individual users or user groups to proactively provide solutions to a wide range of business and technical problems. Works with IT development resources to coordinate development and successful implementation of new functionality.
- Ability to proactively contribute to an overall IT strategy via direct experience in tactical projects and specific user requirements
- Gathers and documents requirements for system enhancements and communicates those requests to the appropriate IT groups. Seeks solutions for users to increase usage of SAP modules and improve the efficient utilization of those modules.
- Participates in the design, development, testing, implementation, and modifications of programs, changes, and enhancements to SAP systems and custom applications. Includes planning and preparing design proposals, and documenting solutions.
- Defines scope and requirements of new developments to meet changing requirements
- Performs systems analysis and design by meeting with end users and outlining detailed project specifications in order to effectively and efficiently meet business needs and objectives
- Conducts analysis of system specifications based on required business and technical processes. Identifies opportunities to improve system functionality and business process. Develops functional specifications for system changes.
- Develops, modifies and documents SAP configuration\development objects. Analyzes system change requests and provide work estimates. Obtains and documents approval of system changes.
- Ensures complete functionality and that all work meets standards of the IT department and the project
- Effectively implements systems changes and enhancements while meeting or exceeding requirements of each project as outlined by end user specifications.
- Maintains detailed documentation and project files with respect to progress, problems, needed changes, etc., and provides regular reports on such to the Project Leader and/or Systems Manager as requested

- Provides day-to-day user support, as well as drive improved user productivity through developing and implementing new business process and systems solutions.
- Complies with established level of service and support for internal systems to the line organization users.
- Establishes and manages project plans.
- Provides guidance in developing and executing test plans, programs, and materials. Specify and apply testing and quality monitoring procedures. Oversees end-user testing of SAP solutions.
- Help organize user training programs.
- Works closely with other project team and support team members to understand integration between SAP modules. Participates at the departmental level in line organization initiatives, tactics and strategies to act as a liaison from the line organizations to IT for continued development of the internal systems. Interacts with end users during the project cycle
- Provides direction and supervision to team members, as required during the development cycle of assigned projects.
- Assists SAP project manager in scheduling and budget tasks.

Skills and Knowledge

- Possesses a strong working knowledge of SAP technical concepts. Extensive subject matter/SAP module and cross-application technical knowledge
- Detailed understanding of the SAP component area relevant to the job. For example, supply chain processes (e.g. purchasing, receiving, shipping and managing products and materials) combined with knowledge of SAP's Production Planning, Quality Management, Controlling, and Order Management modules, thorough understanding of Inventory Management of Materials Management components, plus an understanding of the products and logistics affecting decisions.
- Knowledge of systems and/or business analysis design concepts. Demonstrated proficiency in the applied use of systems and process analysis tools.
- Thorough understanding of integration amongst core SAP modules
- Ability to facilitate interactive design and functional specification sessions.
- Ability to carry out detailed system design and write specs for development. Capable of performing configuration changes and/or prepare design specifications for ABAP programs
- Strong analytical problem-solving, and conceptual skills for analyzing and evaluating major SAP business requirements of varying complexity. Thorough understanding of all parameters affecting and interfacing with the SAP system
- Experience with interface/dialog programming and complex report development with ABAP Query and Quickviewer. ABAP development skills and tool set knowledge to assess, define, implement, and deliver IT solutions. SAPscript, IDoc's, Workflow, Dialog Development. Smart-Forms, user exits, BAPI's, BADI's, ABAP Objects, BTEs and data dictionary objects
- Ability to diagnose problems and develop and implement. Effectively understand relevant processes so that they can be modeled in internal systems.
- Ability to respond quickly in a rapidly changing business environment
- Ability to translate business processes and requirements into system enhancements; analyze processes for possible future systems improvement; suggest alternative solutions

- Ability to manage small and medium size system enhancement projects; interface with internal customers to identify areas for systems improvement. Define controls, conversion procedures, and systems implementation plans
- Ability to act independently and under very general direction to define, implement, and document SAP system changes in support of business process solutions
- Performs programming/analysis functions by producing structured, maintainable and efficient code. Familiarity with the SAP NetWeaver platform functionality is highly desirable.
- Highly developed interpersonal, written and verbal skills with an ability to express complex technical concepts in business terms. Excellent technical writing and system documentation skills
- Must be a “team player” able to work with others in developing and implementing new processes and enabling systems. Able to work with end user groups to define application needs and identify feasible solutions.
- Proactive, self-motivated with the ability to motivate others
- Demonstrated project management skills.
- A customer-focused service attitude
- Good organizational skills, with the ability to meet objectives

Experience

- Bachelors Degree in business or computer related field or the equivalent experience.
- 6 or more years previous work experience in software and enterprise system development.
- 4 or more years experience in the relevant SAP module and pertinent subject matter, including business analysis, requirements definition and translating them into building SAP systems supported solutions in R/3, 4.6, ECC 5.0/6.0, or NetWeaver environments. Configuration experience in the SAP subject matter area.
- Experience in a business functional role relevant to the relevant to the SAP subject matter area is highly desirable.
- Proven understanding of ABAP programming with debugging skills, with working knowledge of user exits
- Experience developing clear and complete functional specifications and test plans for ABAP programming development.
- At least one full lifecycles of a significant SAP implementation through production status (project identification, feasibility, blueprint/design, configuration, testing, documentation, implementation, training and ongoing support)
- Effective relationship building skills and strong skills in coordination, project management, organizational and time management skills. Ability to prioritize and multitask multiple work assignments in a fast paced environment
- Solid communications skills both verbal and written; strong and outstanding customer service skills
- Action oriented with strong analytical and problem solving skills
- Demonstrated ability to develop and implement customer-focused processes & procedures
- Experience working with all levels of the organization, both technical and non-technical.
- Ability to prioritize and multitask.
- SAP certification in module of subject matter expertise is a plus

Sample

SAP modules and subject master domains

| | |
|---|---|
| ALE (Application Link Enabling) | MDX (Multi-Dimensional Expression Language) |
| AM Asset Management | MI (Mobile Infrastructure) |
| APO Advanced Planner & Optimizer | MM (Materials Management) |
| ASAP (Accelerated SAP) | MRO (Maintenance, Repair and Overhaul) |
| SAP Basis Components | NetWeaver Applications Server |
| BI Accelerator | NetWeaver BI |
| BPC (Business Objects Planning and Consolidation) | NetWeaver PI (SAP XI) |
| BSP (Business Server Pages) | NetWeaver Portals/SAP EP |
| SAP BW (Business Warehouse) | NWDS (NetWeaver Developer Studio) |
| CA Cross Application | PLM (Product Lifecycle Management) |
| CAF (Composite Application Framework) | PM (Plant Maintenance) |
| CCM (Catalog Content Management) | PP (Production Planning) |
| CE (NetWeaver Composition Environment) | PS (Project Systems) |
| CFM (Corporate Finance Management) | PSCD (Collection and Disbursement) |
| CO (Controlling) | Public Sector Management |
| CO-PA (Profitability Analysis) | PY (Payroll) |
| CRM (Customer Relationship Management) | QM (Quality Management) |
| CS (Customer Service) | RF (Radio Frequency/Auto-ID) |
| EBP (e-Procurement) | SAM (Service and Asset Management) |
| EC (Enterprise Controlling) | SAP Application Server |
| EHS (Environmental Management) | SAP Banking |
| EPM (Enterprise Performance Management) | SAP Business One |
| ERP (Enterprise Resource Planning) | SAP Business Workflow/Webflow |
| ESA (Enterprise Services Architecture) | SAP Oil & Gas |
| FI - FSCM (Financial Supply Chain Management) | SAP Retail |
| FI - Travel Management | SAP Security |
| FI (Financial Accounting) | SAP Smart Forms |
| FS (Insurance) | SAP Solution Manager |
| GRC (Governance/Risk Mgmt/Compliance) | SAP Web Application Server |
| GTS (Global Trade Services) | SAP xMII |
| HCM | SCM (Supply Chain Management) |
| HCM ESS/MSS | SD - GTS (Global Trade Systems) |
| IM (Investment Management) | SD (Sales and Distribution) |
| IS-U (Utilities) | SEM (Strategic Enterprise Management) |
| ITS (Internet Transaction Server) | SM (Service Management) |
| KW (Knowledge Warehouse) | SRM (Supplier Relationship Management) |
| LES (Logistics Execution System) | Web Dynpro |
| LO (Logistics General) | WM (Warehouse Management) |
| MDM (Master Data Management) | WM - EWM (Extended Warehouse Management) |

Working Relationships

Sample

Internal:

- Serve as a resource to ABAP programmers, developers, and BASIS Administrators in designing, configuring and implementing an SAP system which supports the company's business and operational needs. Provide leadership and guidance to subordinates.

Sample

(IT Salary+Skills Pay Survey Report: SAP/20 US contains data tables for the 20 Tier 1 US cities shown below.)

SAP Functional Analyst (SME)

Xrd Quarter - 2011 Base Salary and Bonus Range:

| | 25th | Average | 75th |
|---|----------------|---------|------|
| San Francisco | | | |
| New York City | | | |
| San Jose | | | |
| Lower Fairfield Cty, CT/Westchester Cty, NY | | | |
| Boston | | | |
| Los Angeles/Orange County, CA | | | |
| New Jersey/Northern | | | |
| Detroit | | | |
| Seattle | | | |
| Chicago | | | |
| Washington DC | | | |
| Houston | | | |
| Minneapolis | | | |
| San Diego | | | |
| Philadelphia | | | |
| Dallas | | | |
| Atlanta | | | |
| Miami | | | |
| St. Louis | | | |
| Phoenix | | | |
| Bonus Range: | of base | | |

Chart data has been shielded

Note: The data in this chart are not industry-specific, but rather span all industries surveyed in the geographical area. The salaries displayed above can be adjusted using the Industry multipliers on page 5, derived from industry segmentation analyses performed in this quarter encompassing all Foote Partners surveyed IT positions.

(The IT Salary+Skills Pay Survey Report: SAP/44 US contains data tables for the 44 Tier 2 US cities shown below.)

Sample

SAP Functional Analyst (SME)

Xrd Quarter - 2011 Base Salary and Bonus Range:

| | 25th | Average | 75th |
|---|------|----------------|------|
| Oakland/Walnut Creek/Concord, CA | | | |
| Long Island, NY | | | |
| Upper Fairfield Cty/New Haven, CT | | | |
| Princeton/Southern NJ | | | |
| Hartford | | | |
| Sacramento, CA | | | |
| Denver | | | |
| Las Vegas, NV | | | |
| Providence, RI | | | |
| Portland, OR | | | |
| Milwaukee | | | |
| Grand Rapids, MI | | | |
| Charlotte, NC | | | |
| Baltimore | | | |
| Cleveland/Akron | | | |
| Raleigh/Durham, NC | | | |
| Peoria, IL | | | |
| Dayton, OH | | | |
| Kansas City | | | |
| Memphis, TN | | | |
| Richmond, VA | | | |
| Cincinnati | | | |
| Austin, TX | | | |
| Colorado Springs, CO | | | |
| Norfolk/Virginia Beach/Newport News, VA | | | |
| Indianapolis/Fort Wayne | | | |
| Columbus, OH | | | |
| Pittsburgh | | | |
| Madison, WI | | | |
| New Orleans | | | |
| Orlando | | | |
| Greensboro/Winston-Salem, NC | | | |
| Tampa | | | |
| Birmingham, AL | | | |
| Louisville | | | |
| Salt Lake City | | | |
| Nashville, TN | | | |
| San Antonio, TX | | | |
| Omaha, NE | | | |
| Tulsa, OK | | | |
| Albuquerque/Santa Fe, NM | | | |
| Des Moines, IA | | | |
| Greenville/Spartanburg/Anderson, NC | | | |
| Oklahoma City, OK | | | |
| Bonus Range: | | of base | |

Chart data has been shielded

Sample

(Pages 38-52 missing)

Sample

Skills & Certifications Pay

Current Quarter 2011 Data

Using IT Skills Pay

Depending on corporate compensation policies, IT skills premiums are typically incorporated directly into base salary (often to differentiate pay for individuals of common job title but dissimilar skills and responsibilities) or paid out as a cash bonus.

Sample

Using Data From Foote Partners 2011 IT Skills & Certifications Pay Index™

What is IT skills and certifications pay?

It is common practice today for employers to isolate, recognize and reward experience in their IT workforce for a variety of technical and business skills. Pay for such skills -- both certified and noncertified -- is usually provided in the form of a cash premium employers are willing to pay workers who possess high-value IT-related skills used on the job, with or without certifications for those skills. Such pay may be applied in the form of a cash bonus or it may be embedded in base salary to adjust for the presence of a dominant vendor or technology; for example an Oracle Database Administrator, Linux Systems Administrator, Unix Programmer, or an SAP Developer specializing in supply chain management or Oil and Gas industry software modules .

Incorporating skills premiums in base pay is the most popular option today. Why? Because it is an effective solution to the long-standing problem of job titles that don't match what people actually do on-the-job. These days it is common to find Linux, Unix, and NT administrators lumped together under a single "Systems Administrator" titles. Or .NET, Java, Ruby On Rails, Python, SAP, or Cobol specialists all with "Programmer" or "Developer" titles. But some of these skills are worth more than others in the marketplace and would cost an employer more to replace such skills if needed. Benchmarking salaries of these various specialists to a single job title in a salary survey typically results in salary mismatches.

In an ideal world an HR manager might simply change the person's job title to reflect the skill specializations. For example, software developers who work exclusively with Java become "Java Developers" and administrators in the Linux world "Linux Administrators". But there are barriers to doing this at many employers and consequently considerable resistance. Instead, why not differentiate workers within common job titles by offering skills premium pay to match their pay to the job titles they *should* have? It's a lot less difficult than going through a laborious job evaluation process and has become a common industry practice. This is where our *IT Skills and Certifications Pay Index* comes in handy: it tells you exactly what the bonus or base pay adjustment should be for 466 certified and noncertified IT skills, based on current compensation practices at 2,000 employers.

Are there other uses for skills pay? Absolutely. Skills pay can be offered as an inducement in recruiting a prospective employee via internal transfer, or securing external candidates on the open market as a basis for a sign-on bonus. Skills pay can also be used as a de facto retention bonus, regardless of other variables such as low/no-cash incentives, merit and bonus pay not connected to specific skills (e.g. profit sharing), work/lifestyle benefits, and other important add-ons not tied specifically to cash compensation for individual performance.

Using the ITSCPI, cont.

Sample

Is a certain level of performance necessary to receive a skill or certification premium? Our research indicates that while some employers may attach a performance basis for skills payout, others do not. The trend is towards companies devising measurable performance hurdles whenever possible.

How does Foote Partners collect skills pay data?

Foote Partners' primary research report for skills and professional certifications pay is the **IT Skills and Certifications Pay Index™ (ITSCPI)**, which tracks premium pay for 466 IT certifications and noncertified skills and is continuously updated and published every three months. Updated and carefully validated data in this edition was collected **through January 1, 2011**, including 26,830 validated IT professionals receiving premium pay for their skills and/or certifications.

Employers have been paying for IT skills for some time but they are notoriously reluctant to create formal programs to do so. That's because they want to pay for skills selectively without feeling obligated to pay all holders of any one skill or certification equally, or even at all. This makes it much more labor intensive and expensive for survey researchers to capture such data. Though many have tried to track skills pay (Towers Perrin, Culpepper, and William M. Mercer, to name a few), Foote Partners' ITSCPI --- launched in 1999 --- is the oldest and (now) only survey of its kind still in existence, and has been from its beginning the industry's most comprehensive and most accurate.

Our unique data collection methodology lends itself very well to capturing both informal and formal pay practices, and to do it more economically. Our survey reveals that more than one half of the private and public sector IT workers in our North American survey receive some form of skills pay, and of that number we are able to both document and validate skills pay data for approximately 53 percent of skills pay recipients in our survey. From HR department and non-HR research partner sources we receive all formal and informal IT compensation data in the form of electronic databases, spreadsheets, and hard copy.

With this critical data in hand, Foote Partners spends significant time on the delicate and critical task of validating the data including direct interviewing and aggressive interactive surveying. We do not collect skills pay data from workers themselves, but instead from their managers and HR/compensation staffs.

We collect and compile the data continuously and make those results available to our retainer and consulting customers only: everybody else may obtain more than 130 individual quarterly updated 'off-the-shelf' compensation surveys published and regularly updated by Foote Partners that contains excerpts from the ITSCPI report.

Using the ITSCPI, cont.

Sample

This ITSCPI reports pay in the following classifications, for full-time IT workers only (these premiums do not apply to contractors or consultants):

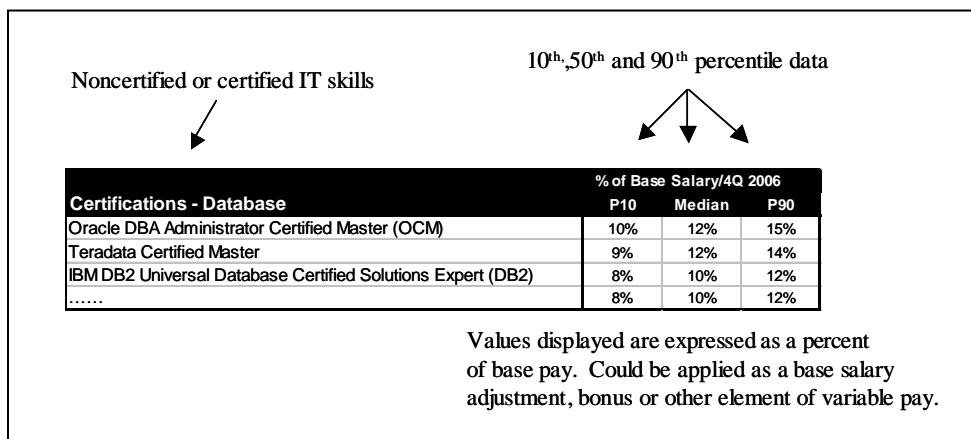
Skills:

- Systems/Networking
- Operating Systems
- Web/e-Commerce Development
- Messaging and Communications
- Apps Development Tools and Platforms
- SAP and Enterprise Business Applications
- Database
- Project Experience
- Management, Process and Methodology

Certifications:

- General/Beginner and Training
- Application Development/Programming Languages
- Database
- Web Development
- Networking and Communications
- Systems Administration and Engineering/ Network Operating Systems
- IT Security
- Architecture/Project Management/Process

How is the data presented?



Using the ITSCPI, cont.

Sample

Research participant metrics

IT compensation data for our latest research findings (collected through **January 1, 2011**) represents 40 private sector industries plus government and educational institutions surveyed every three months.

The size of the participating organizations, measured most appropriately for the type of business, by revenues, assets, total premiums and operating budgets, are as follows

- 13% of participating organizations have \$3 billion+ in sales/\$15+ billion in total assets
- 25% of participating organizations earn more than \$1 billion in annual revenues or more than \$3 billion in total assets
- 44% of participating organizations have \$500+ million in sales/\$1+ billion in total assets/\$500+ million in premiums/\$500+ million operating budget (government, educational, not-for-profit)
- 56% of participating organizations fall in the SMB (small-to-medium sized business) segment, generally defined as organization under \$500 million in sales.
- [Public sector] 5% have operating budgets of \$500 million or more, [nonprofit/educational sectors] 4% with operating budgets \$100 million to less than \$500million

Following are among the most frequent industries we survey:

- | | | |
|---|---|------------------------------------|
| - Advertising | - Government (State) | - Petrochemicals |
| - Aerospace | - Healthcare Services/Medical Equip. | - Pharmaceuticals/Biotech |
| - Business Services/For Profit | - Hospitality/Leisure | - Real Estate |
| - Commercial Banking/Securities | - Household/Personal Products | - Research and Development |
| - Diversified Systems Integrators/IT Services | - Insurance | - Retail/Wholesale Distribution |
| - Construction/Engineering/Architecture | - ISP/ASP | - Security Products/Services |
| - Consumer Durable Goods | - Logistics/Transportation | - Software/Services |
| - Diversified Financial Services | - Manufacturing/computer-related | - Systems Integrators/IT Services |
| - Education | - Manufacturing/non-computer related Media/Publishing | - Telecommunications/Carrier |
| - Electronics | - Metals/Natural Resource | - Telecommunications/Data services |
| - Energy/Mining | - Motor Vehicles and Equipment | - Transportation(Air/Rail) |
| - Entertainment/Recreation/Amusement | - Not-For-Profit | - Utilities |
| - Food/Beverage/Tobacco | | |
| - Government (Fed/Defense) | | |
| - Government (Local) | | |

Sample

Cities and Metropolitan Areas Surveyed

2011 IT Skills and Certifications Pay Index

Canada

| | | | |
|----------------|------------------|---------------------|---------------|
| Calgary, ALTA | London, ONT | Quebec, QUE | Toronto, ONT |
| Edmonton, ALTA | Mississauga, ONT | Regina, SASK | Vancouver, BC |
| Halifax, NS | Montreal, QUE | Saskatoon, SASK | Windsor, ONT |
| Hamilton, ONT | Oshawa, ONT | St. Catherines, ONT | Winnipeg, MAN |
| Kitchner, ONT | Ottawa, ONT | | |

United States

| | | | |
|--------------------------|---|---|--|
| Atlanta, GA | Greensboro/Winston- Salem, NC | New York City, NY | Salt Lake City, UT |
| Albuquerque/Santa Fe, NM | Greenville/Spartanburg/ Anderson, SC | Norfolk/Virginia Beach/ Newport News, VA | San Antonio, TX |
| Austin, TX | Hartford, CT | Oakland/Walnut Creek/ Concord CA | San Francisco, CA |
| Baltimore, MD | Houston, TX | Oklahoma City, OK | San Jose, CA |
| Birmingham, AL | Indianapolis/Ft Wayne | Omaha, NE | Seattle, WA |
| Boston, MA | Kansas City, MO | Orlando, FL | St. Louis, MO |
| Buffalo, NY | Las Vegas, NV | Peoria, IL | Tampa, FL |
| Charlotte, NC | Long Island, NY | Philadelphia/So. NJ | Tulsa, OK |
| Chicago, IL | Los Angeles/Orange Cty,CA | Phoenix, AZ | Upper Fairfield County/ New Haven, CT |
| Cincinnati, OH | Louisville, KY | Pittsburgh, PA | Washington, DC |
| Cleveland/Akron,OH | Madison, WI | San Diego, CA | Westchester County, NY/ Lower Fairfield Cty, CT |
| Columbus, OH | Memphis, TN | Portland, OR | |
| Colorado Springs, CO | Miami, FL | Princeton/So. NJ | |
| Dallas, TX | Milwaukee, WI | Providence, RI | |
| Dayton, OH | Minneapolis, MN | Raleigh/Durham, NC | |
| Dayton, OH | Nashville, TN | Richmond, VA | |
| Detroit, MI | New Jersey/Northern | Sacramento, CA | |
| Denver, CO | New Orleans | | |
| Des Moines, IA | | | |
| Grand Rapids, MI | | | |

Skills & Certifications Pay – Permanent Employees Sample

SAP Skills (non-certified)

(Quarterly data collected through _____, 2011, expressed as percent of base salary.)

New skills added in this edition appear in red.

| SAP & Enterprise Business Applications Skills | % of Base Salary/4Q 2010 | | |
|--|--------------------------|--------|-----|
| | P10 | Median | P90 |
| SAP FI - FSCM (Financial Supply Chain Management) | | | |
| SAP Solution Manager | | | |
| Oracle Enterprise Apps | | | |
| SAP FS (Insurance) | | | |
| SAP EC (Enterprise Controlling) | | | |
| NetWeaver BI (SAP BW) | | | |
| SAP Retail | | | |
| SAP CO-PA (Profitability Analysis) | | | |
| SAP EBP (e-Procurement) | | | |
| SAP BW Accelerator | | | |
| SAP ERP (multi-skills) | | | |
| SAP BPC (BusinessObjects Planning and Consolidation) | | | |
| NetWeaver PI | | | |
| SAP SEM (Strategic Enterprise Management) | | | |
| SAP CFM (Corporate Finance Management) | | | |
| SAP Netweaver Applications Server | | | |
| SAP CAF (Composite Application Framework) | | | |
| SAP BSP (Business Server Pages) | | | |
| SAP ESA (Enterprise Services Architecture) | | | |
| SAP MM (Materials Management) | | | |
| SAP HCM (SAP HR) | | | |
| SAP SCM (Supply Chain Management) | | | |
| NetWeaver Portal (SAP EP) | | | |
| SAP Web Application Server | | | |
| SAP PP (Production Planning) | | | |
| SAP IM (Investment Management) | | | |
| SAP PSCD (Collection and Disbursement) | | | |
| SAP FI (Financial Accounting) | | | |

**Chart data
has been
shielded**

Skills & Certifications Pay – Permanent Employees Sample

SAP Skills (non-certified) – cont'd.

(Quarterly data collected through _____, 2011, expressed as percent of base salary.)

New skills added in this edition appear in red.

| SAP & Enterprise Business Applications Skills | % of Base Salary/4Q 2010 | | |
|---|--------------------------|--------|-----|
| | P10 | Median | P90 |
| SAP SRM (Supplier Relationship Management) | | | |
| SAP CRM (Customer Relationship Management) | | | |
| SAP GRC (Governance, Risk, and Compliance) | | | |
| Web Dynapro | | | |
| SAP ITS (Internet Transaction Server) | | | |
| SAP SM (Service Management) | | | |
| SAP Business One | | | |
| SAP CS (Customer Service) | | | |
| PeopleSoft | | | |
| SAP SD (Sales & Distribution) | | | |
| SAP Security | | | |
| Accelerated SAP (ASAP) | | | |
| SAP EPM (Enterprise Performance Management) | | | |
| SAP LO (Logistics General) | | | |
| SAP CO (Controlling) | | | |
| SAP Oil & Gas | | | |
| SAP MDM (Master Data Management) | | | |
| SAP PS (Project Systems) | | | |
| SAP QM (Quality Management) | | | |
| SAP PY (Payroll) | | | |
| SAP Basis Components | | | |
| SAP NWDS (NetWeaver Developer Studio) | | | |
| SAP CE (NetWeaver Composition Environment) | | | |
| SAP ALE (Application Link Enabling) | | | |
| SAP Banking | | | |
| SAP CA (Cross Application) | | | |
| SAP FI - Travel Management | | | |
| SAP RF (Radio Frequency)/Auto-ID | | | |

**Chart data
has been
shielded**

Sample

Skills & Certifications Pay – Permanent Employees

SAP Skills (non-certified) – cont’d.

(Quarterly data collected through _____, 2011, expressed as percent of base salary.)

New skills added in this edition appear in red.)

| SAP & Enterprise Business Applications Skills | % of Base Salary/4Q 2010 | | |
|---|--------------------------|--------|-----|
| | P10 | Median | P90 |
| SAP SD - GTS (Global Trade Systems) | | | |
| SAP IS-U (Utilities) | | | |
| SAP HCM ESS/MSS | | | |
| SAP Business Workflow/Webflow | | | |
| SAP PM (Plant Maintenance) | | | |
| SAP LES (Logistics Execution System) | | | |
| SAP MRO (Maintenance, Repair and Overhaul) | | | |
| SAP SAM (Service and Asset Management) | | | |
| SAP CCM (Catalog Content Management) | | | |
| SAP Smart Forms | | | |
| SAP PLM (Product Lifecycle Management) | | | |
| SAP WM (Warehouse Management) | | | |
| SAP Advanced Planner & Optimizer (APO) | | | |
| SAP KW (Knowledge Warehouse) | | | |
| SAP WM - EWM (Extended Warehouse Management) | | | |
| SAP GTS (Global Trade Services) | | | |
| ABAP | | | |
| Baan | | | |
| SAP EHS (Environmental Management) | | | |
| SAP MI (Mobile Infrastructure) | | | |
| SAP MDX (Multi-Dimensional Expression Language) | | | |
| SAP xMII | | | |
| J.D. Edwards | | | |
| Lawson | | | |
| SAP Public Sector Management | | | |
| Siebel | | | |

**Chart data
has been
shielded**