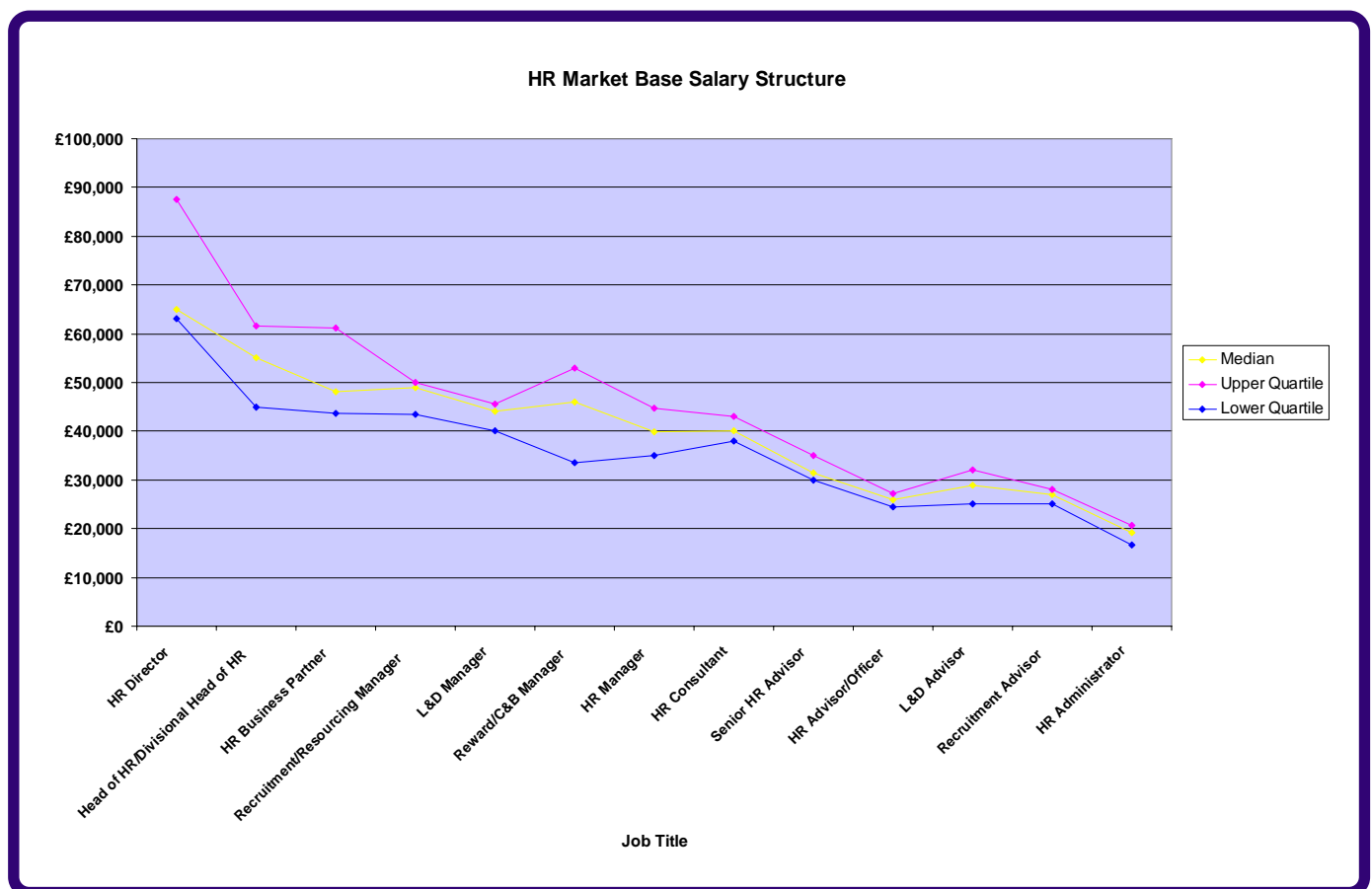


Purple House HR Salary Survey 2006 – Key findings

Purple House are a Bristol-based HR Recruitment Consultancy and have recently completed a survey of HR salaries for the M4/M5 region based on contributions from 152 businesses. Our findings have been supplemented with our experience of recruiting HR roles over the last 12 months. Data has been analysed using the roles listed in the chart below.

Our data has been analysed on 'base pay' and 'total cash' (i.e. base pay plus bonus). Data has been grouped into companies with less than and more than 500 staff but for the purposes of this article we will concentrate mainly on median base pay figures across all organisations.



Key Results from the survey

Some of the most significant findings are around the 'step change' in salaries between certain roles. The gap between Senior HR Advisor and HR Manager salaries is great (median of £31,500 compared to £39,857 respectively) as is that between HR Managers and HR Business Partners (£39,857 compared to £48,000).

Many professionals argue that HR Manager and HR Business Partner roles are essentially the same but this data indicates otherwise. Our experience has shown that organisations view Business Partner roles as more commercial and value-adding than HR Manager positions, requiring a different skill set and therefore demanding a higher salary.

This level of commercialism tends to be demonstrated in the ability to understand the strategic direction of the business unit they are partnering and to influence leaders on the relevant HR approach required to enable that unit to reach its business objectives, usually requiring substantial change management exposure. Additionally the level of influencing and coaching skills required generally sets apart candidates who can step up to business partner roles.

In terms of senior level roles in larger organisations, pay is remarkably similar between HR Business Partner and Head of HR roles. When considering 'total cash', the difference narrows further with HR Business Partners median coming in at £55,100 and Head of HR median at £59,540.

Pay levels for Reward Managers are higher at median (and even higher at Upper Quartile levels) than other Manager positions. This seems to have been created by the rarer skill base in Reward acting to drive salaries upwards.

At senior level we have observed a wide disparity in base pay and total cash levels. This may indicate the value an organisation places on certain individuals or that many organisations recruit more rarely for senior positions in this region. Senior professionals are often in the same role for many years and their salaries tend not to keep pace with external market rates.

Bonuses

Job Title	Average Bonus
HR Director	40%
Head of HR/Divisional Head of HR	15%
HR Business Partner	30%
Recruitment/Resourcing Manager	22%
L&D Manager	16%
Reward/C&B Manager	13%
HR Manager	10%
HR Consultant	6%
Senior HR Advisor	3%
HR Advisor/Officer	4%
L&D Advisor	5%
Recruitment Advisor	0%
HR Administrator	4%

Although bonuses in HR are increasingly based on individual performance, in our experience there are still a considerable number of organisations paying bonuses purely or mainly on organisational performance.

Benefits

Car / Car Allowance:

100% of participating organisations provide a car or allowance at HR Director level. This falls to 75% for Heads of HR, 83% for Business Partners and 59% for HR Managers, with most roles beneath this level attracting no car benefit unless required for the role.

Pensions:

40% of HR Directors still receive Final Salary Pensions, dropping significantly to between 25% and 14% for other senior job titles. The level of employer contribution differs greatly between businesses, with HR Director roles typically attracting the highest contributions.

There are an enormous range of benefits offered by organisations in this region. Some of the more inventive ones include access to 'alternative therapies' such as on-site massage as well as pet insurance and Red Letter Days for individual contributions.

Findings

Ratio of Numbers of HR and Training Personnel to Numbers of Employees:

Of the 48 organisations which completed the information, covering 62,263 employees in total, the following analysis details the ratio of numbers of HR and Training personnel to total numbers of employees.

The results are as follows:

Within HR:

- An average of 1 HR Person for every 132 employees
- The Median is 1 HR person for every 100 employees
- The upper quartile is at 1 HR person for every 200 employees
- The lower quartile is at 1 HR person for every 54 employees

(Companies with less than 100 employees were not calculated in this analysis)

Training:

- An average of 1 Training person for every 364 employees
- Of the 48 companies 23 had no training specialist at all
 - 9 of these had less than 200 employees
 - 13 had over 200 employees
- Of the 25 companies that had a specialist training function.
 - The median is 1 training specialist to 370 employees
 - The upper quartile is 1 trainer to 1230 employees
 - The lower quartile is 1 trainer to 117 employees