

2006 – 2007 Wage and Salary Adjustment Survey Results

September 2006



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Executive Summary

| Key | |
|--|--|
| PMS-NU: Hourly production, maintenance, and service positions (Non-Union) | |
| PMS-U: Hourly production, maintenance, and service positions (Union) | |
| CT: Non-exempt clerical and technical positions | |
| SMP: Exempt-supervisory, managerial and professional positions | |
| EXEC: Executive/Officer positions | |

On average, Northeast Ohio employers provided actual pay increases of **3.4%** in 2006. The average projected pay increase for 2007 is also **3.4%**.

In this year's survey, **178** Northeast Ohio organizations reported their actual wage and salary adjustment for the period between 7/1/05 and 7/1/06 and their projected adjustment for the period between 7/1/06 and 7/1/07.

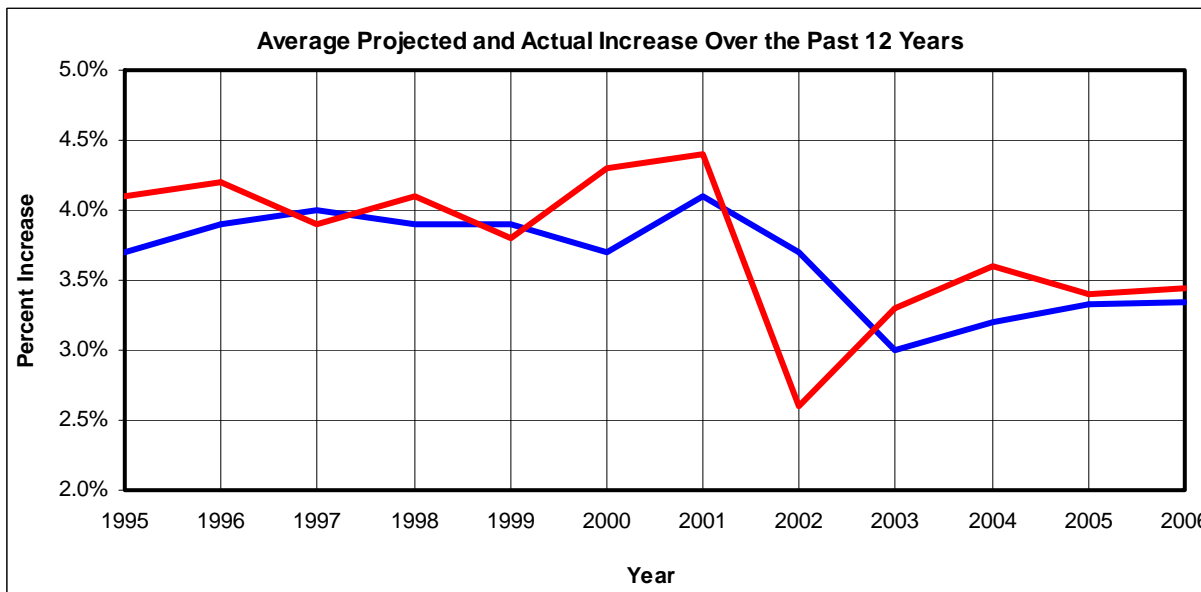
Average Actual Pay Adjustments from 7/1/05 to 7/1/06

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|-------------------|--------|-------|------|------|------|
| All Organizations | 3.3% | 3.0% | 3.4% | 3.6% | 3.9% |

Average Projected Pay Adjustments from 7/1/06 to 7/1/07

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|-------------------|--------|-------|------|------|------|
| All Organizations | 3.4% | 3.0% | 3.4% | 3.6% | 3.7% |

Average Actual and Projected Increases 1995 - 2006

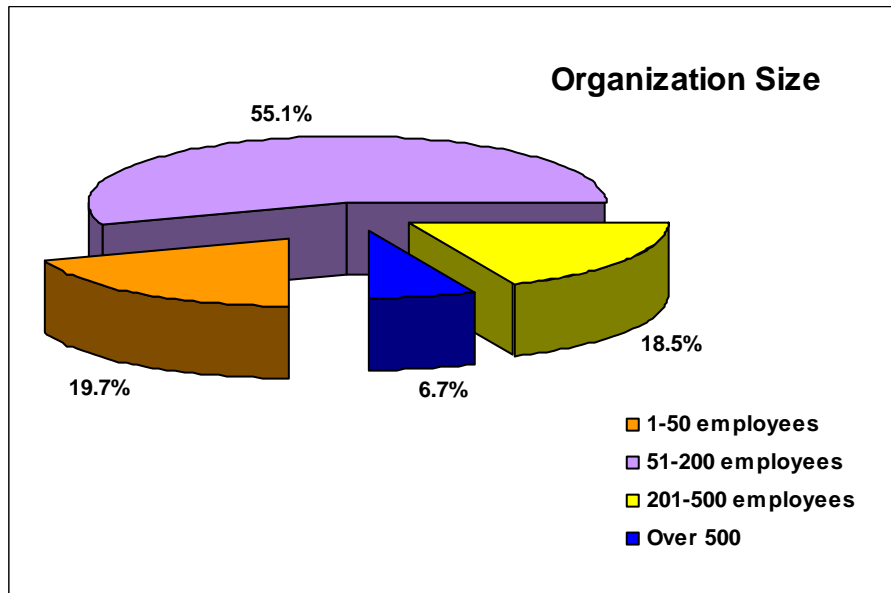
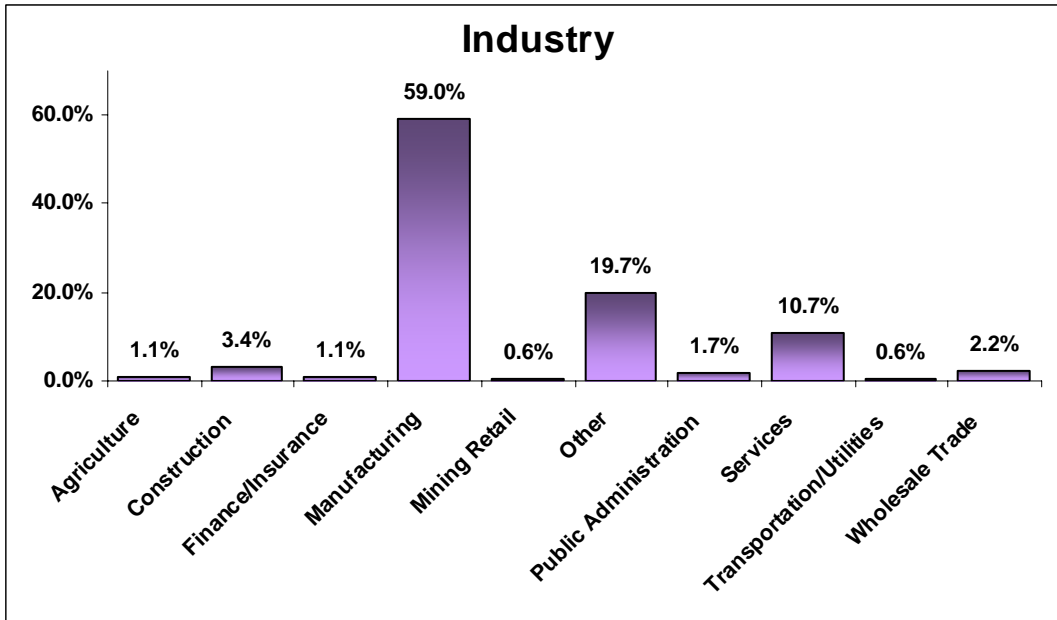


| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Actual | 4.1% | 4.2% | 3.9% | 4.1% | 3.8% | 4.3% | 4.4% | 2.6% | 3.3% | 3.6% | 3.4% | 3.4% |
| Projected | 3.7% | 3.9% | 4.0% | 3.9% | 3.9% | 3.7% | 4.1% | 3.7% | 3.0% | 3.2% | 3.3% | 3.3% |

Demographics

Total Number of Participants

| | |
|-------------------|-----|
| All Organizations | 178 |
| Manufacturing | 105 |
| Non-Manufacturing | 73 |



Pay Adjustment Statistics

Key

PMS-NU: Hourly production, maintenance, and service positions (Non-Union)

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CT: Non-exempt clerical and technical positions

SMP: Exempt-supervisory, managerial and professional positions

EXEC: Executive/Officer positions

Average Actual Pay Adjustments from 7/1/05 to 7/1/06

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|------|------|------|
| All Organizations | 3.3% | 3.0% | 3.4% | 3.6% | 3.9% |
| Industry | | | | | |
| Manufacturing | 3.2% | 2.9% | 3.4% | 3.4% | 3.7% |
| Non-Manufacturing | 3.3% | 3.2% | 3.5% | 3.9% | 4.1% |
| Organization Size | | | | | |
| 1 – 50 | 3.2% | 3.1% | 3.5% | 4.5% | 4.6% |
| 51 – 200 | 3.4% | 3.1% | 3.5% | 3.5% | 3.8% |
| 201 – 500 | 3.1% | 2.9% | 3.3% | 3.3% | 3.5% |
| 500+ | 3.0% | N/A | 3.1% | 3.2% | 4.5% |

Average Projected Pay Adjustments from 7/1/06 to 7/1/07

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|------|------|------|
| All Organizations | 3.4% | 3.0% | 3.4% | 3.6% | 3.7% |
| Industry | | | | | |
| Manufacturing | 3.3% | 2.9% | 3.4% | 3.5% | 3.6% |
| Non-Manufacturing | 3.4% | 3.1% | 3.5% | 3.7% | 3.9% |
| Organization Size | | | | | |
| 1 – 50 | 3.3% | 3.2% | 3.7% | 4.2% | 4.2% |
| 51 – 200 | 3.4% | 3.0% | 3.4% | 3.5% | 3.6% |
| 201 – 500 | 3.4% | 2.9% | 3.4% | 3.5% | 3.6% |
| 500+ | 3.2% | N/A | 3.2% | 3.2% | 3.7% |

Average Actual Formal Pay Range Adjustments from 7/1/05 to 7/1/06

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|------|------|------|
| All Organizations | 3.7% | 3.6% | 3.4% | 3.6% | 3.5% |
| Industry | | | | | |
| Manufacturing | 3.5% | 2.4% | 3.0% | 3.2% | 3.0% |
| Non-Manufacturing | 4.1% | 4.7% | 4.0% | 4.1% | 4.1% |
| Organization Size | | | | | |
| 1 – 50 | N/A | N/A | N/A | N/A | N/A |
| 51 – 200 | 3.8% | 4.1% | 3.6% | 3.9% | 3.9% |
| 201 – 500 | 2.9% | N/A | 2.7% | 2.6% | 2.8% |
| 500+ | 2.9% | N/A | 2.9% | 2.9% | 2.9% |

Average Projected Formal Pay Range Adjustments from 7/1/06 to 7/1/07

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|------|------|------|
| All Organizations | 3.1% | 2.8% | 3.0% | 3.2% | 3.3% |
| Industry | | | | | |
| Manufacturing | 3.0% | 2.3% | 2.8% | 2.9% | 3.0% |
| Non-Manufacturing | 3.2% | 3.6% | 3.3% | 3.6% | 3.5% |
| Organization Size | | | | | |
| 1 – 50 | N/A | N/A | N/A | N/A | N/A |
| 51 – 200 | 3.2% | 2.9% | 3.1% | 3.2% | 3.3% |
| 201 – 500 | 3.0% | N/A | 2.8% | 2.8% | 3.0% |
| 500+ | 2.5% | 2.4% | N/A | 2.2% | 2.2% |

Percentage of Organizations that Made No Pay Adjustments from 7/1/05 to 7/1/06

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|-------|-------|-------|
| All Organizations | 7.3% | 14.5% | 6.7% | 7.8% | 20.3% |
| Industry | | | | | |
| Manufacturing | 9.0% | 15.0% | 9.3% | 11.1% | 21.8% |
| Non-Manufacturing | 4.2% | 13.6% | 3.0% | 2.9% | 18.0% |
| Organization Size | | | | | |
| 1 – 50 | 19.2% | 27.3% | 20.7% | 19.4% | 50.0% |
| 51 – 200 | 3.8% | 16.7% | 4.3% | 6.4% | 15.1% |
| 201 – 500 | 8.7% | 0.0% | 3.1% | 3.1% | 12.0% |
| 500+ | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Percentage of Organizations Projecting No Pay Adjustments for 7/1/06 to 7/1/07

| | PMS-NU | PMS-U | CT | SMP | EXEC |
|--------------------------|--------|-------|-------|-------|-------|
| All Organizations | 5.4% | 11.5% | 3.2% | 5.1% | 9.9% |
| Industry | | | | | |
| Manufacturing | 5.9% | 12.5% | 4.3% | 7.4% | 8.2% |
| Non-Manufacturing | 4.4% | 9.5% | 1.6% | 1.6% | 12.3% |
| Organization Size | | | | | |
| 1 – 50 | 20.0% | 30.0% | 13.8% | 16.1% | 29.6% |
| 51 – 200 | 1.3% | 10.5% | 1.1% | 2.3% | 4.9% |
| 201 – 500 | 5.0% | 0.0% | 0.0% | 3.4% | 8.3% |
| 500+ | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

The projected wage adjustments in this report are an average of all projections provided by organizations that are planning to make adjustments for the period between 7/1/06 and 7/1/07. The actual wage adjustments represent an average of all data provided by organizations that made adjustments for the period between 7/1/05 and 7/1/06. Data from organizations that are not planning to make adjustments or did not make adjustments are not included in the averages.

Trends in Pay Adjustments

