



News Story

KnowledgeBank's Survey of Mid-Atlantic Technology Companies Reveals Reduction in Salary Increase Budgets in a Weakened Economy Almost 40% of Surveyed Companies Plan to Eliminate 2009 Salary Increases Monday February 09, 2009 12:34:00 EST

In response to the continuing deterioration in regional economic conditions, KnowledgeBank, Inc. recently conducted a "pulse" survey to capture changes in projected 2009 salary increase budgets reflected in its 2008-2009 Total Compensation Survey of Mid-Atlantic Technology Companies. KnowledgeBank invited 2008-2009 survey participants, as well as prior years' participants, to submit data for the "pulse" survey.

Overall projected salary increase budgets for 2008 - 2009 survey participants were reduced from 4.5% reported in August/September 2008 to 2.8% reported in January 2009. Including prior years survey participants, salary increase budgets trended similarly and were reduced from 4.0% to 2.5%.

The revised 2.5% projected salary increase budgets are dramatically lower than the last eight years average 4.6% budgets as reported in the Total Compensation Survey of Mid-Atlantic Technology Companies. Nearly 30% of 2008 - 2009 Survey Participants participated in the January 2009 "pulse" survey.

Key Findings

- Six out of every ten companies plan on reducing their 2009 salary increases.
- 32% of the companies that reported no change in their revised 2009 projected salary increases already were projecting 0% increases.
- 40% of the companies that reduced their 2009 projected salary increases reduced them to a projected 0%.
- 37% of all companies that participated in the "pulse" survey now are projecting no salary increases for 2009.
- While not a survey question, a few companies indicated that they were reducing salaries by approximately 10%.