

Panaya Inc.

2012 SAP Salary Survey

December 2011

Survey Results and Executive Summary

For questions and additional information

e-mail info@panayainc.com or visit www.panayainc.com

Table of Contents

Summary.....	3
Company and Job Characteristics.....	5
Job Function, Experience, Gender, Education.....	10
Salary Makeup, Trends, Job Stability	12
Advancing Your Career and Market Value	16

Summary

The earnings of an SAP professional depend on many variables, including your location, education level, and experience, as well as the location of the company you work for and the industry you are in.

Published by Panaya for the third year now, this survey will help you compare your compensation makeup to industry peers, better understand what drives compensation in this market, and get useful ideas for increasing your value.

Some of the key findings from this year's survey include:

- Median salaries are the **highest for those working for aerospace & defense, professional services, healthcare, and financial services companies**, while the lowest medians are for those working in public sector & education, retail, and communications.
- The median salary of SAP professionals working for companies based in North America is **over 25% higher than the median salaries of those working for companies based in Europe and over 35% higher than those working for companies based in the Rest of the World.**
- **Salaries of employees of SAP customers tend to be higher for those employed by companies with higher revenues**, while salaries of partners and integrators are highest at companies with revenues below half a billion dollar.
- Higher education corresponds with higher earnings for SAP professionals. **The median salary for respondents with a Master's degree is 18% higher than the median salary for those with a high school diploma**, while **respondents with a doctoral degree earn as much as 53% more than those with no college degree.**
- While in past years respondents were asked to take on additional responsibilities and do more with less, the number of respondents citing these changes dropped dramatically in this year's survey. The two most common job changes in 2011 noted by survey respondents were **tighter budgets (55%)** and **more competition (48%)**.

The uncertain economic environment seems to have a mixed impact on the earnings and forward-looking expectations of SAP professionals:

- **62% of the respondents reported an increase in their 2011 earnings compared to 2010**, continuing the trend of salary increases reported last year. Increases were more common for SAP professionals working for companies based in APAC (66%), Latin America (67%) and the Rest of the World (76%) than they were for those employed by European (57%) or North American companies (61%).
- Almost half of the respondents (47%) received a bonus in 2011. **The average bonus was 14% of total compensation.**
- Looking ahead to 2012, **65% of the respondents are expecting an increase in their salaries.**
- At the same time, **45% of the respondents are somewhat concerned about their job stability, and 12% are very concerned about it.** These are similar rates to those reported in 2010. Concern over job stability is higher among SAP professionals positioned in APAC (53% somewhat concerned, 18% highly concerned) and Latin America (42% somewhat concerned, 25% highly concerned) than it is in Europe (41% somewhat concerned, 10% highly concerned) and North America (45% somewhat concerned, 8% highly concerned).

Methodology

Survey results are based on 805 responses collected from SAP customers and system integrators worldwide through a standardized online questionnaire during November of 2011. Salary figures in this survey reflect the total annual compensation for each respondent, including bonuses.

All survey results are presented in US dollars. Salary data for some respondents was collected in Euros and converted to US dollars at a rate of 1.35 dollars to the Euro.

About Panaya

Panaya's software-as-a-service helps companies that use SAP or Oracle reduce 80% of their upgrade and testing risk and effort. Utilizing a cloud-based supercomputer, Panaya simulates the upcoming upgrade, automatically pinpointing which custom programs will break as a result of the upgrade and automatically fixing most of these problems.

Panaya's testing solutions dramatically expedite ERP testing and eliminate the need for manual test script maintenance. Seamlessly capturing business knowledge in the background, as users work with the ERP applications, Panaya automatically generates plain-English test scripts that are rapidly executed and continually self-adjust based on test results.

To learn more, or apply for a **free upgrade evaluation** click here: <http://www.panayainc.com/Request-a-Trial.html>

Company and Job Characteristics

805 individuals completed the survey. The majority of the survey respondents (55%) come from companies that are SAP customers and run their own business on the SAP system. 43% represent SAP-partner organizations that help other companies implement SAP.

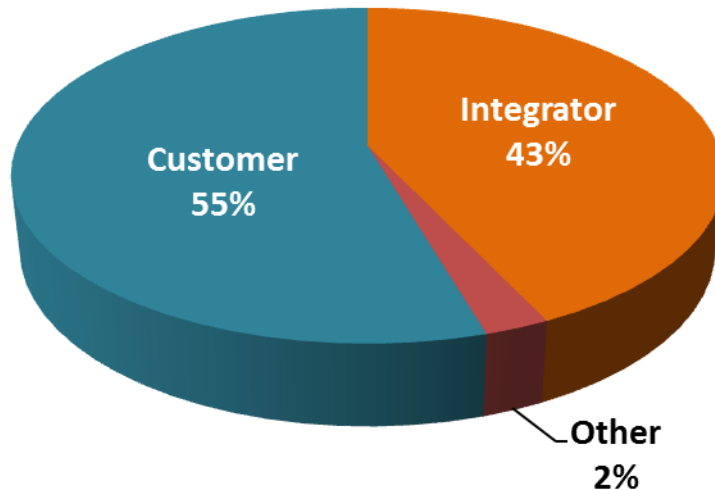


Figure 1: Customer vs. Integrator

Overall, the median salary for employees of SAP partners/integrators is slightly higher (4%) than the median salary of those working for SAP customers.

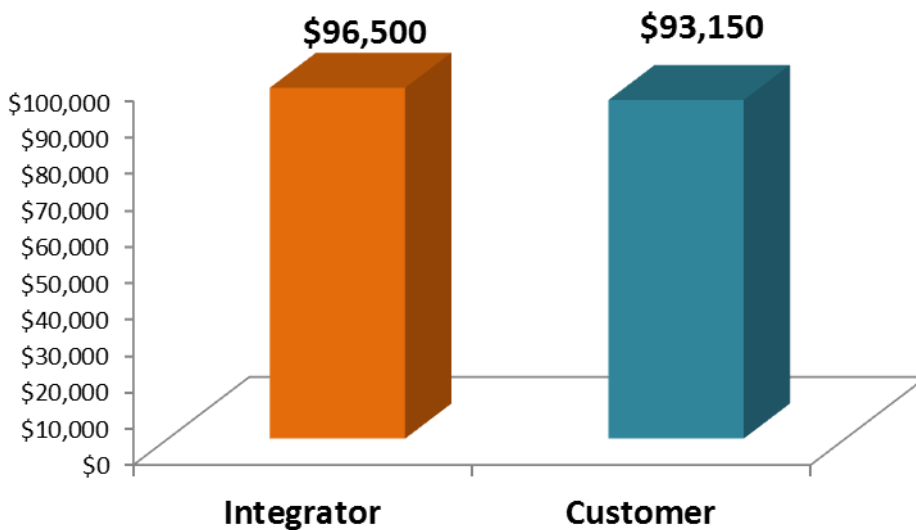


Figure 2: Median Salary - Customer vs. Integrator

39% of the survey respondents work for companies based in North America, while 33% work for European companies. 28% of the respondents work for companies based in other parts of the world.

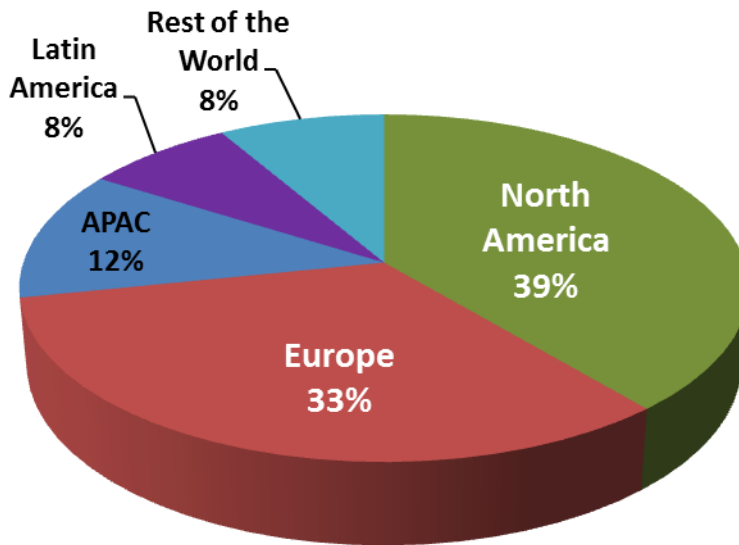


Figure 3: Company Headquarters Location

The median salary of SAP professionals working for companies based in North America is over **25% higher than the median salaries of those working for companies based in Europe** and over **35% higher than those working for companies based in Asia Pacific and the Rest of the World.**

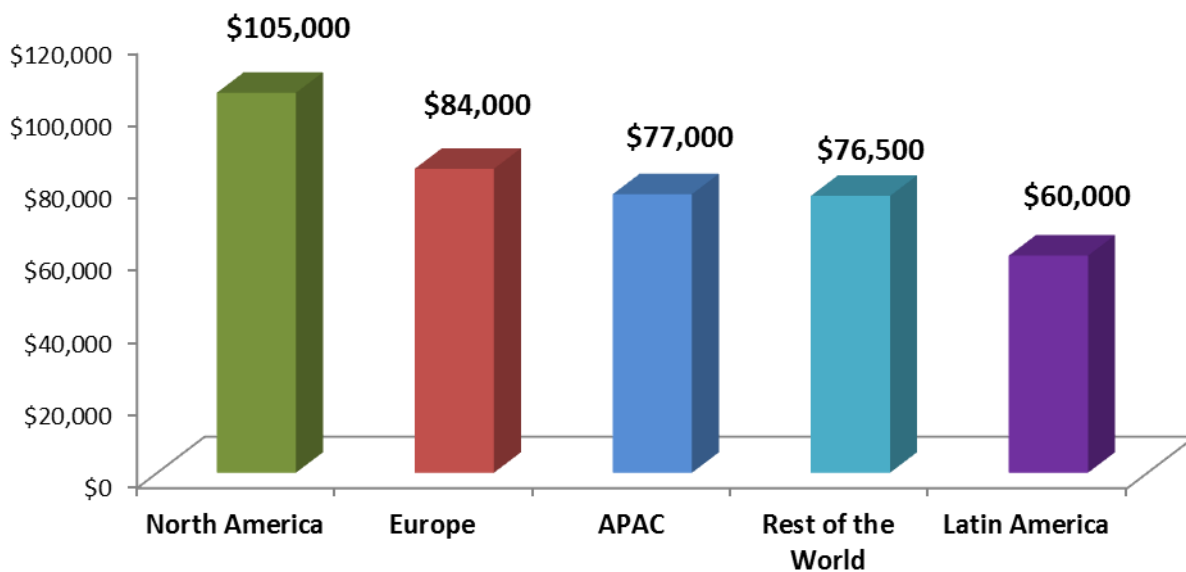


Figure 4: Median Salary by Headquarters Location

Survey respondents represent companies of all sizes. A third of the respondents work for companies with revenues of less than half a billion dollars, while 23% work for companies with revenues of over ten billion dollars.

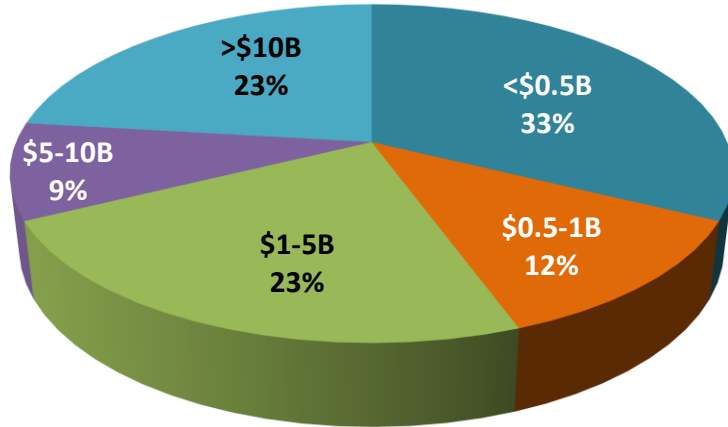


Figure 5: Company Revenues

Salaries of employees of SAP customers tend to be higher for those employed by companies with higher revenues, while salaries of partners and integrators are highest at companies with revenues below half a billion dollar.



Figure 6: Median Salary by Company Revenues and SAP Relationships

Over half of the respondents (51%) work in organizations employing more than 50 SAP professionals. Over a third (36%) work for organizations with more than 100 SAP professionals.

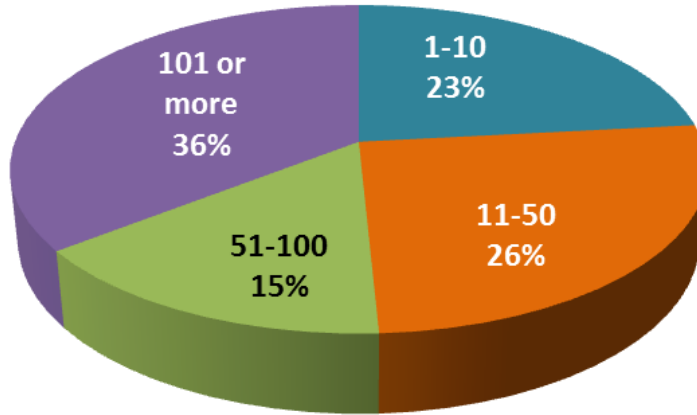


Figure 7: Number of SAP Professionals

For employees of SAP customers, salaries are highest at organizations with 51-100 SAP professionals, while salaries of partners and integrators are highest at organizations with ten or fewer professionals.

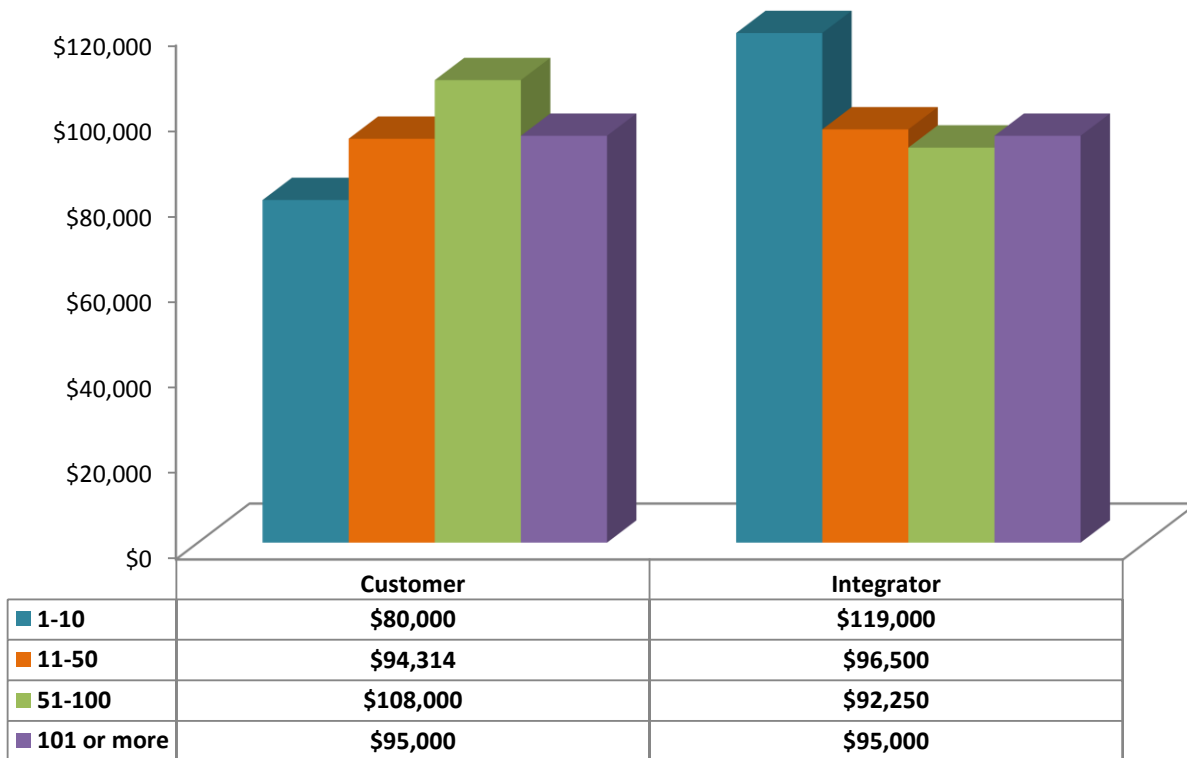


Figure 8: Median Salary by Number of SAP Professionals and SAP Relationships

When looking at respondents' industries, **median salaries are the highest for those working for companies in aerospace & defense, professional services, healthcare, and financial services.** The lowest medians are for those working in public sector & education, retail, and communications.

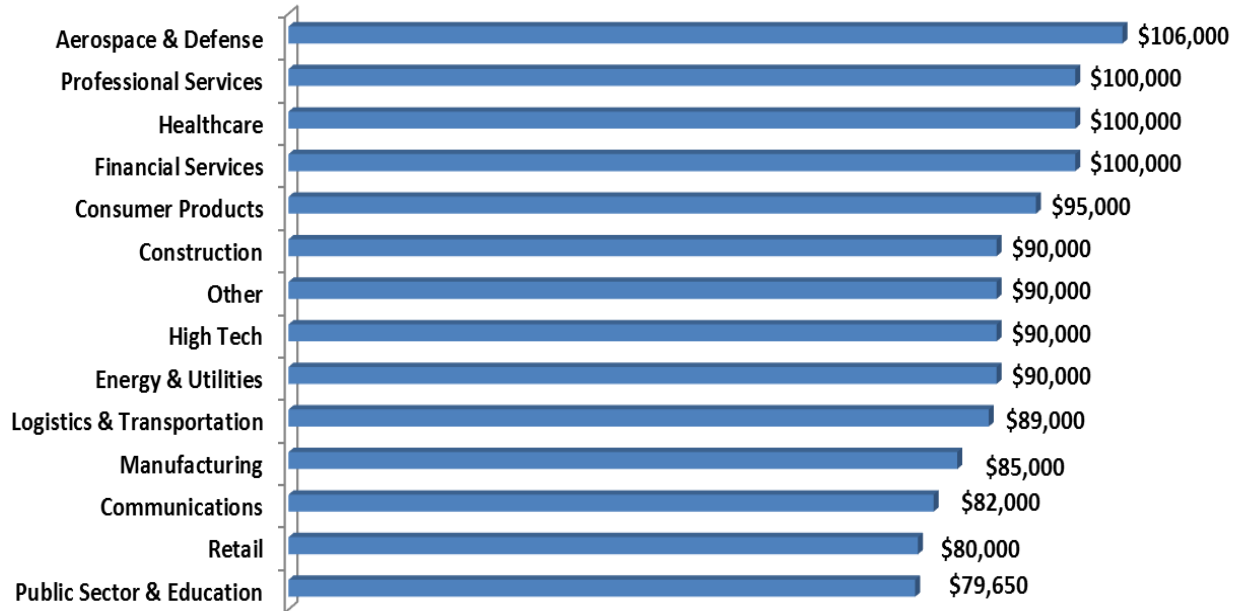


Figure 9: Median Salary by Industry

Job Function, Experience, Gender, Education

As expected, professionals in director and manager positions earn the most, while SAP users have the lowest salaries. The median for the highest earning position (ERP or Application Director) is as much as 75% higher than the median for the lowest earning position (SAP Super User).

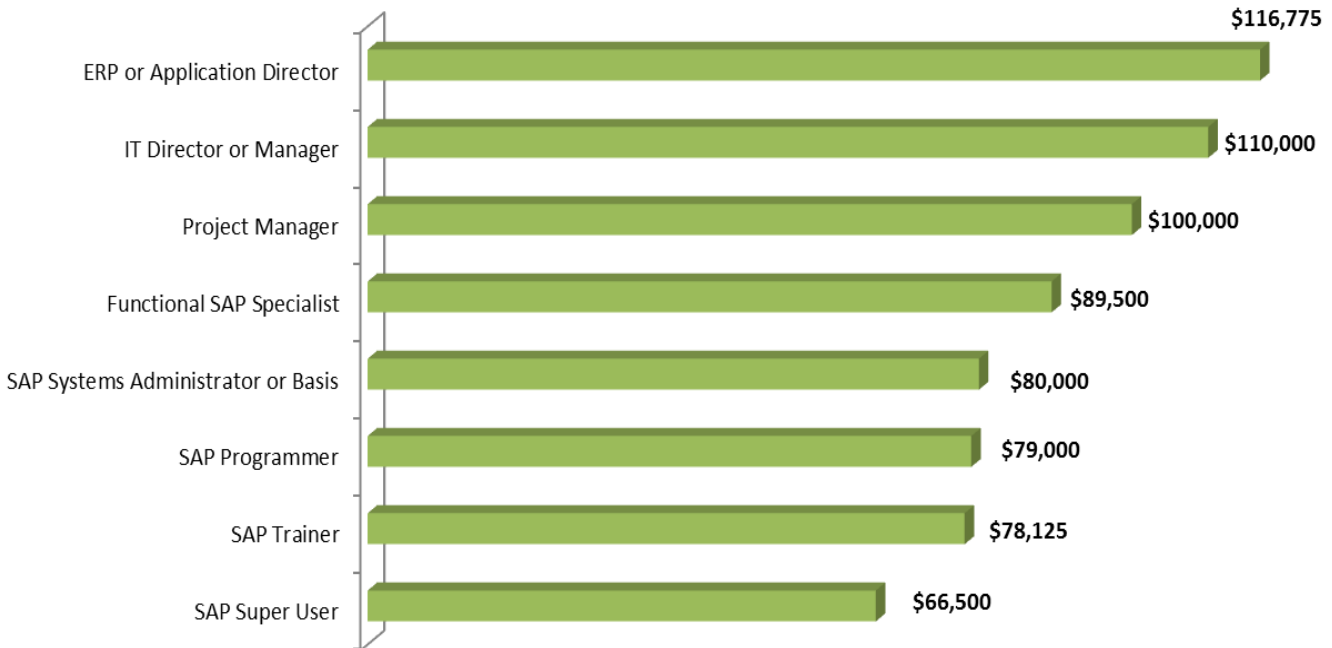


Figure 10: Median Salary by Job Function

Job experience plays a major role in determining salary levels. The median salary for **respondents with more than 10 years of experience is 44% higher than for those with 1-6 years of experience.**

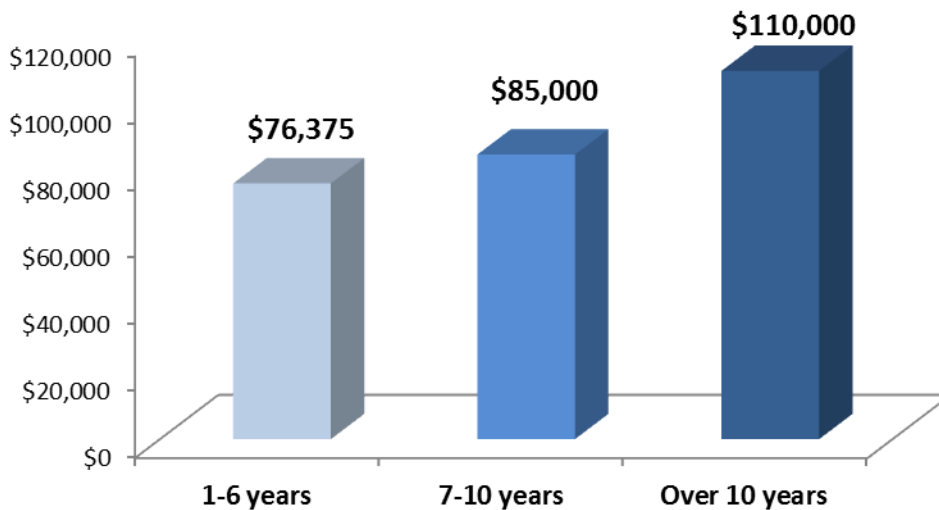


Figure 11: Median Salary by Years of Experience

The picture is slightly different for men and women as they progress through their careers. The median salary for female professionals starts out higher than men's, but then takes a dip. The gap between male and female salaries almost completely disappears once they reach ten or more years of experience.



Figure 12: Median Salary by Experience and Gender

Higher education corresponds with higher earnings for SAP professionals. **The median salary for respondents with a Master's degree is 18% higher than the median salary for those with a high school diploma, while respondents with a doctoral degree earn as much as 53% more than those with no college degree.**

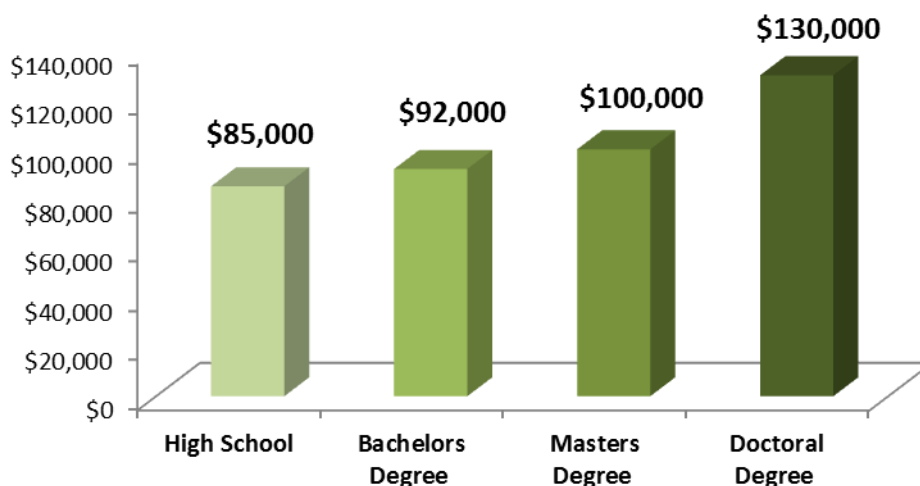


Figure 13: Median Salary by Education Level

Salary Makeup, Trends, Job Stability

Close to half of the respondents (47%) received a bonus in 2011. While the average bonus was 14%, most bonuses (41% of those that received one) fell in the 5-10% range.

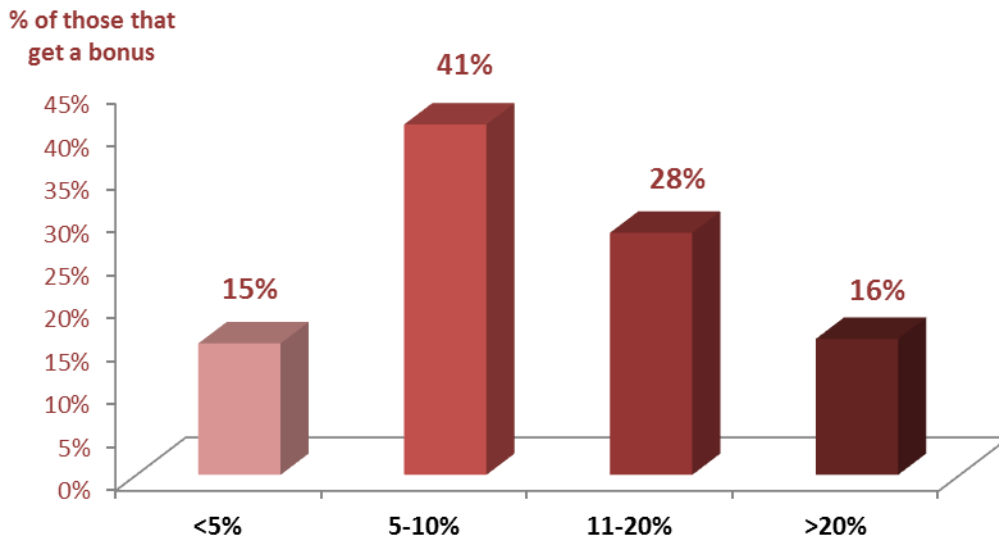


Figure 14: Bonus as percent of total compensation (only those that received a bonus)

62% of the respondents reported an increase in their earnings in 2011 compared to 2010, while 27% reported no change and 11% reported a reduction. **About half of the raises (30%) were less than 5%.**

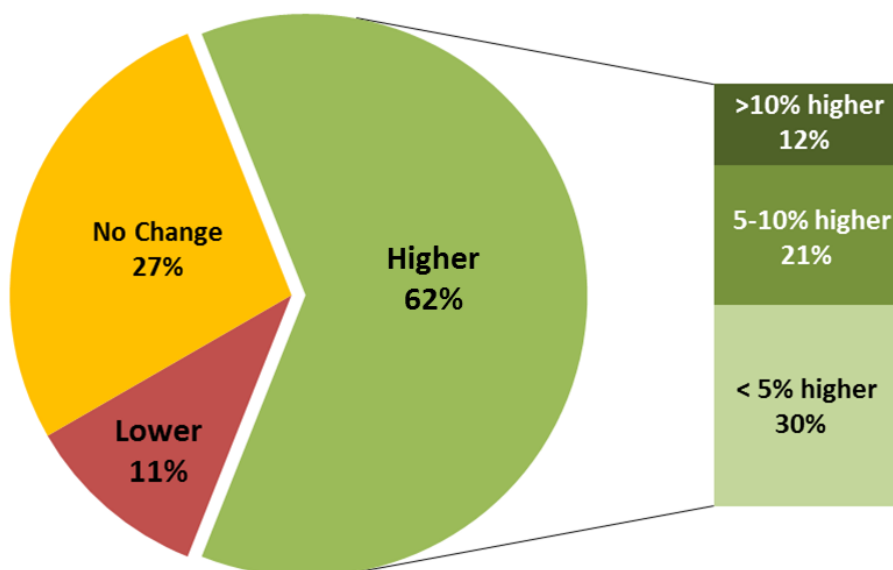


Figure 15: Change in Salary 2010 – 2011

Survey respondents expect these trends to continue into 2012, projecting very similar rates of change for the coming year.

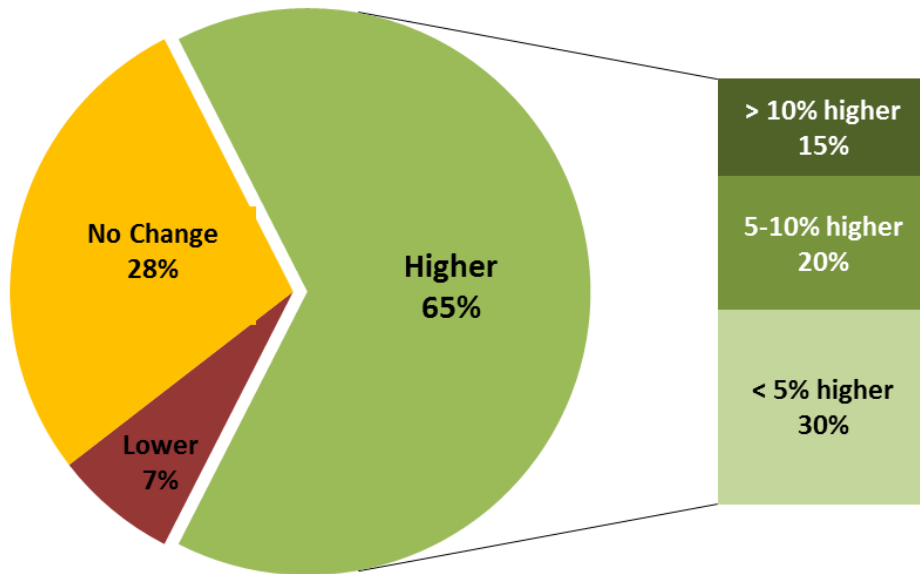


Figure 16: Expected Change in Salary 2011 – 2012

Salary increases were more common for SAP professionals working for companies based in APAC (66%), Latin America (67%) and the Rest of the World (76%) than they were for those employed by European (57%) or North American companies (61%).

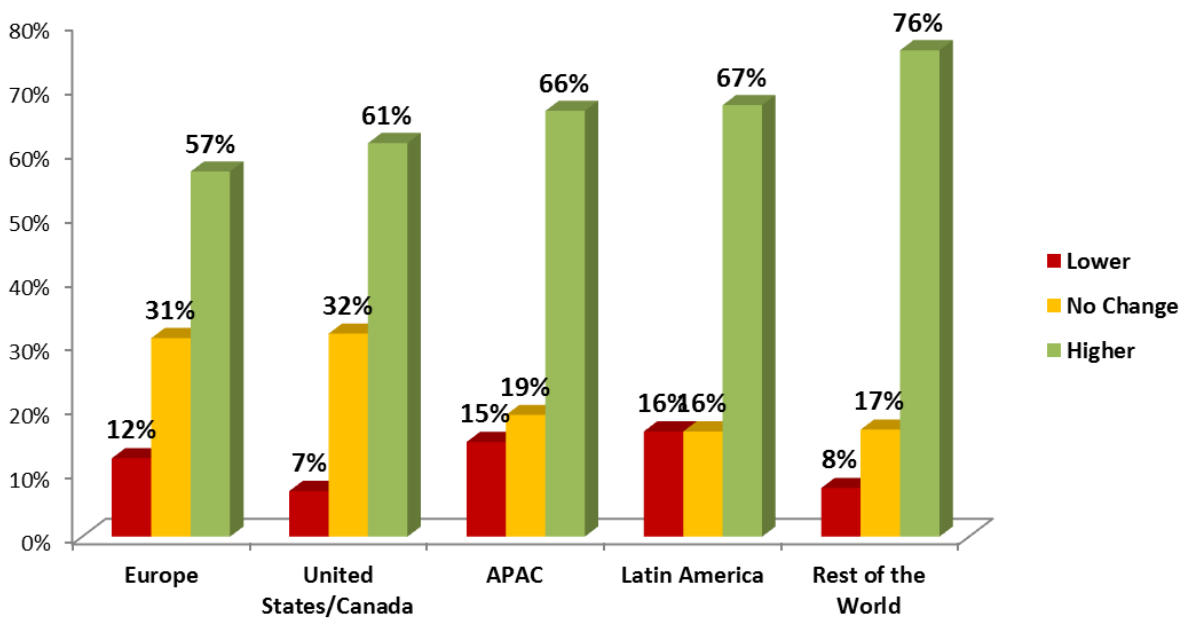


Figure 17: Change in Salary 2010 – 2011 by Company HQ Location

After a couple of years in which respondents were asked to do more with less and take on additional responsibilities, the number of respondents citing these changes dropped dramatically in 2011. The two most common job changes noted by survey respondents in 2011 are **tighter budgets (55%)** and **more competition (48%)**.

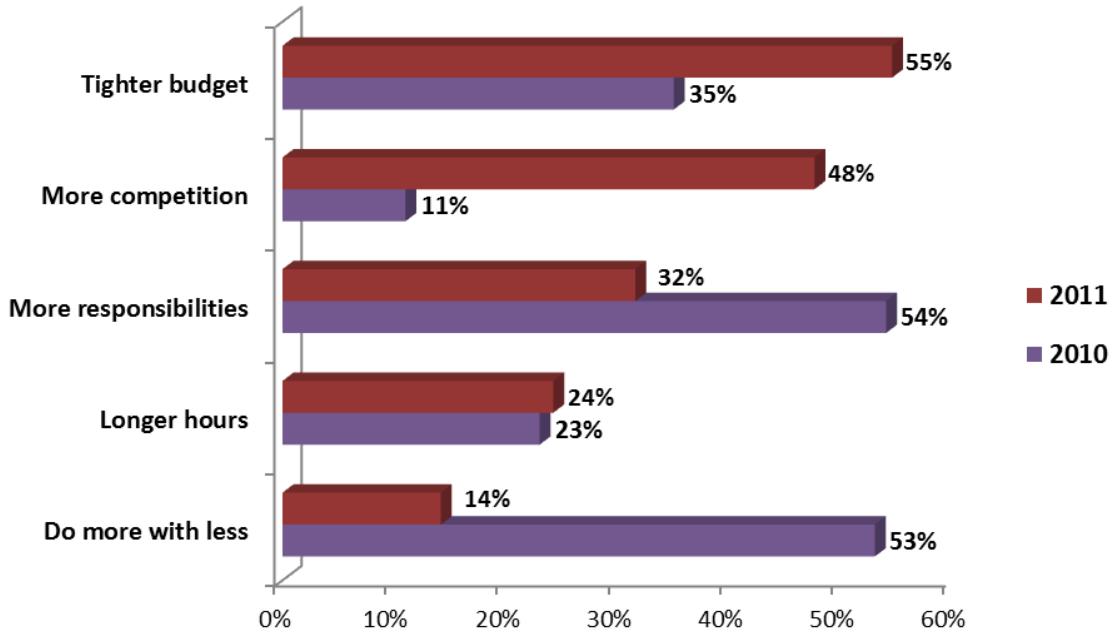


Figure 18: Notable Changes in Job in 2011 and 2010

45% of the respondents are somewhat concerned about their job stability, and 12% are very concerned about it. These are similar rates to those reported in 2010.

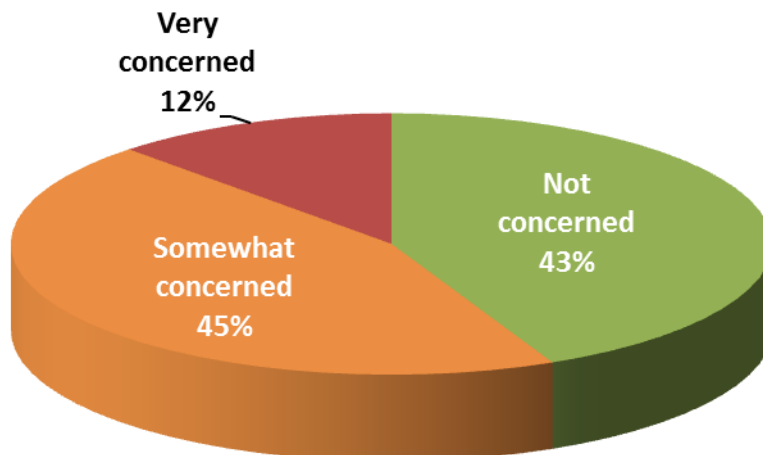


Figure 19: Concern about Job Stability

Concern over job stability is clearly **higher among SAP professionals positioned in APAC** (53% somewhat concerned, 18% highly concerned) **and Latin America** (42% somewhat concerned, 25% highly concerned) than it is in Europe (41% somewhat concerned, 10% highly concerned) and North America (45% somewhat concerned, 8% highly concerned).

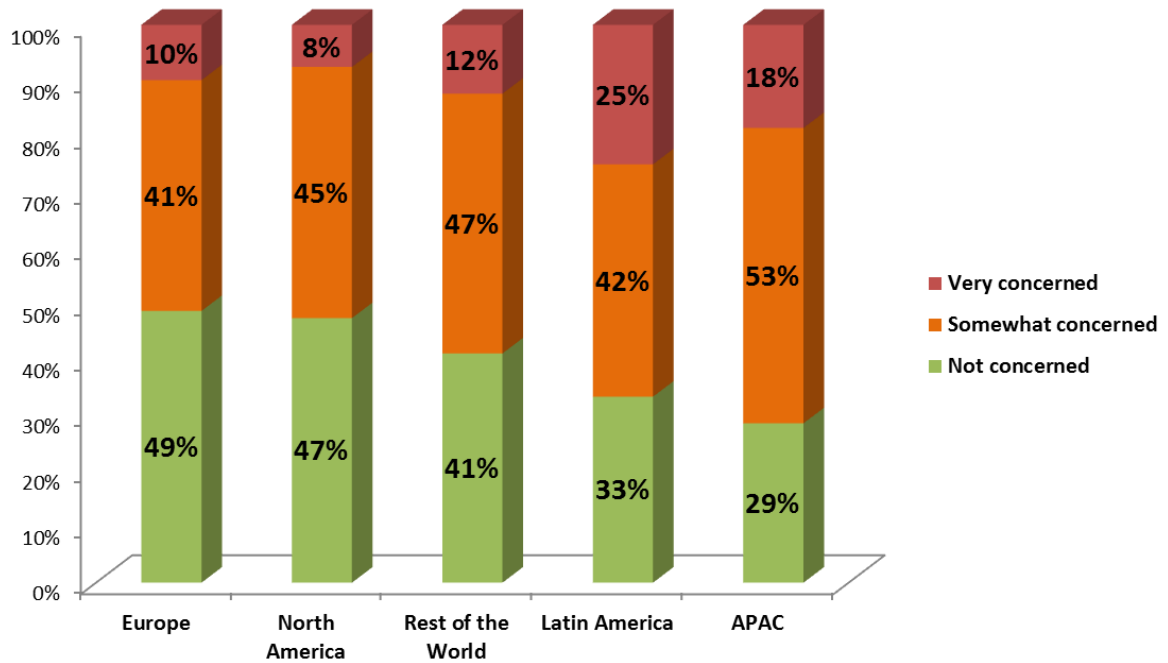


Figure 20: Concern about Job Stability by Job Location

Advancing Your Career and Market Value

Our survey respondents have some insightful advice for advancing your SAP career:

- 1) Get certified
- 2) Understand the business side
- 3) Develop your communication skills
- 4) Keep up to date with new technology
- 5) Be flexible and open to change

According to the respondents, the general skills most important for securing higher pay and additional job options are **project management (49%)**, **business function expertise (38%)**, **analytical (37%)**, and **communication (34%) skills**.

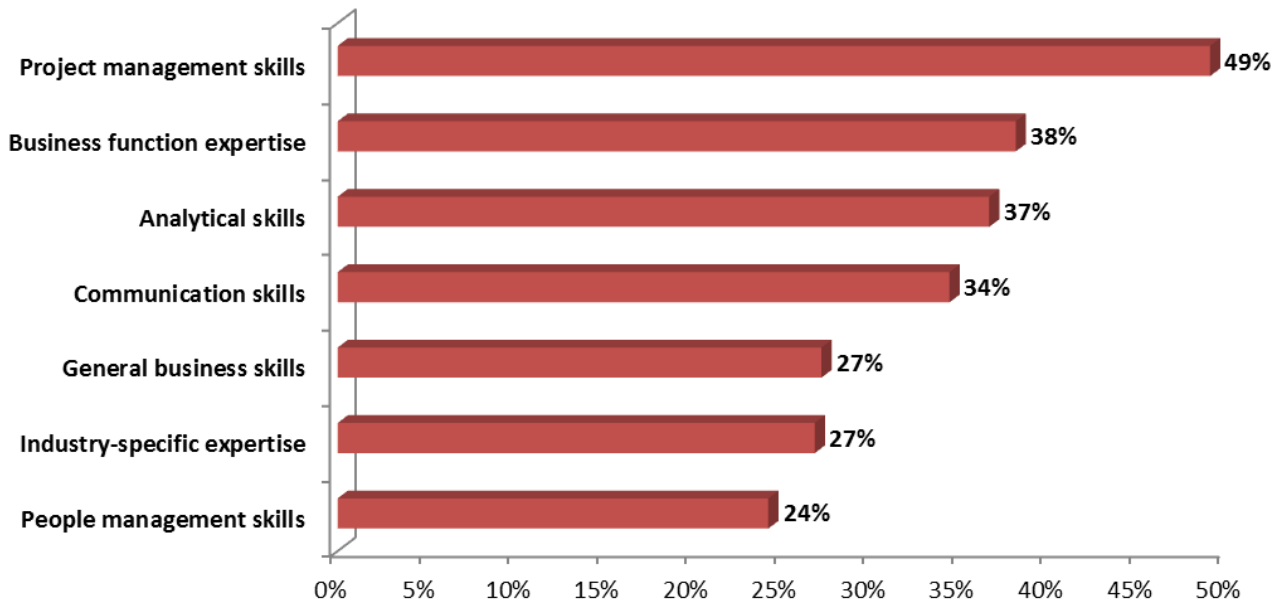


Figure 21: Most Important General Skills

The most valuable technology skills, according to survey respondents, are **data visualization (41%)**, **mobile application development (36%)**, and **enterprise collaboration (31%)**.

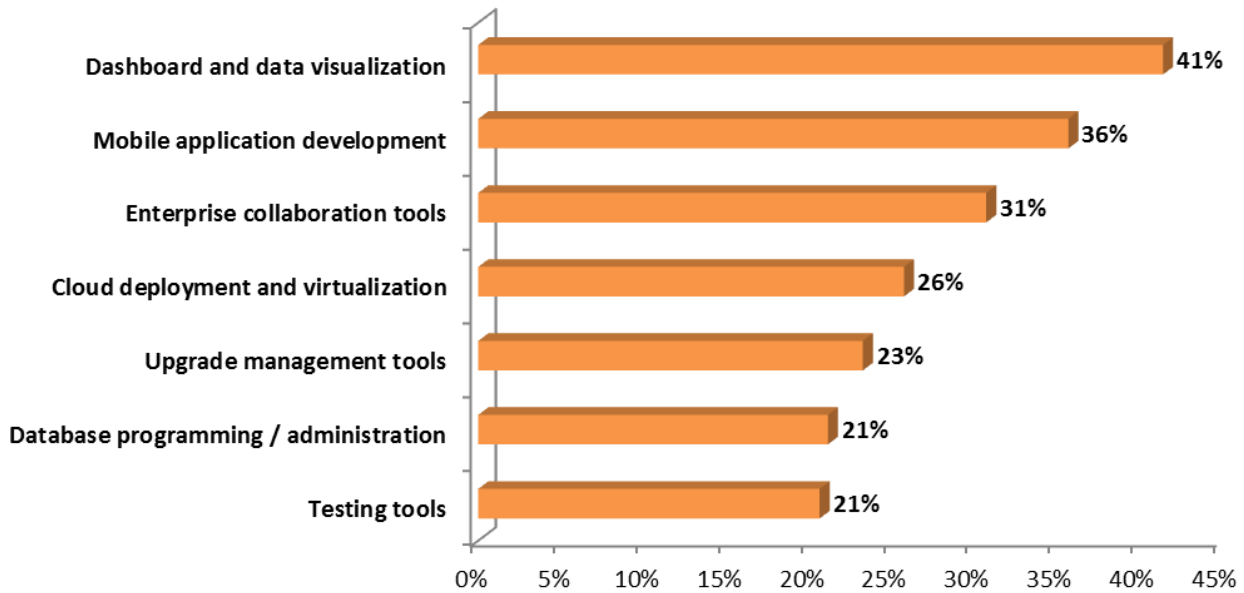


Figure 22: Most Important Technical Skills

In addition, the following SAP-specific skills are cited by respondents as the most valuable for increasing the market value of the SAP professional:

Top Skills named by SAP Systems Administrators and Basis and SAP Programmers - Java and/or ABAP
Enterprise Architecture/Integration Skills
Solution Manager Skills
SAP ERP 6.0 Upgrade Skills
SAP BusinessObjects and BI/BW Skills

Top Skills named by SAP Trainers, SAP Super Users, and Functional SAP Specialists
Business Suite Skills (CRM, PLM, SRM, or SCM)
SAP BusinessObjects and BI/BW Skills
SAP ERP 6.0 Upgrade Skills

Top 3 Skills named by IT Directors and Managers, Application Directors, and Project Managers
SAP BusinessObjects and BI/BW Skills
Business Suite Skills (CRM, PLM, SRM, or SCM)
SAP ERP 6.0 Upgrade Skills

Table of Figures

Figure 1: Customer vs. Integrator	5
Figure 2: Median Salary - Customer vs. Integrator	5
Figure 3: Company Headquarters Location	6
Figure 4: Median Salary by Headquarters Location	6
Figure 5: Company Revenues	7
Figure 6: Median Salary by Company Revenues and SAP Relationships.....	7
Figure 7: Number of SAP Professionals.....	8
Figure 8: Median Salary by Number of SAP Professionals and SAP Relationships	8
Figure 9: Median Salary by Industry.....	9
Figure 10: Median Salary by Job Function.....	10
Figure 11: Median Salary by Years of Experience	10
Figure 12: Median Salary by Experience and Gender	11
Figure 13: Median Salary by Education Level	11
Figure 14: Bonus as percent of total compensation (only those that received a bonus)	12
Figure 15: Change in Salary 2010 – 2011	12
Figure 16: Expected Change in Salary 2011 – 2012.....	13
Figure 17: Change in Salary 2010 – 2011 by Company HQ Location.....	13
Figure 18: Notable Changes in Job in 2011 and 2010	14
Figure 19: Concern about Job Stability	14
Figure 20: Concern about Job Stability by Job Location	15
Figure 21: Most Important General Skills	16
Figure 22: Most Important Technical Skills.....	17

Disclaimer and Trademark Notices

This report is provided by Panaya Inc. It is completely independent of and not affiliated with Oracle or SAP AG. Oracle is a registered trademark of Oracle. Oracle and other Oracle products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Oracle. SAP is a registered trademark of SAP AG. SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and in several other countries. All other product and service names mentioned are the trademarks of their respective companies.

Survey results are based on responses provided by anonymous participants and have not been verified by Panaya. The results are based a limited number of responses and are not warranted to accurately represent any data beyond the scope of the individuals that responded to the survey.

DISCLAIMER OF WARRANTY

Panaya Inc. makes no representation or warranties, either express or implied by or with respect to anything in this document, and shall not be liable for any implied warranties of merchantability or fitness for a particular purpose or for any indirect special or consequential damages.

COPYRIGHT NOTICE

No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, photocopying, recording or otherwise, without prior written consent of Panaya Inc. No patent liability is assumed with respect to the use of the information contained herein. While every precaution has been taken in the preparation of this publication, Panaya Inc. assumes no responsibility for errors or omissions. This publication is subject to change without notice.

Copyright © Panaya Inc. All rights reserved.

About Panaya

Panaya's software-as-a-service helps companies that use SAP or Oracle reduce 80% of their upgrade and testing risk and effort. Utilizing a cloud-based supercomputer, Panaya simulates the upcoming upgrade, automatically pinpointing which custom programs will break as a result of the upgrade and automatically fixing most of these problems.

Panaya's testing solutions dramatically expedite ERP testing and eliminate the need for manual test script maintenance. Seamlessly capturing business knowledge in the background, as users work with the ERP applications, Panaya automatically generates plain-English test scripts that are rapidly executed and continually self-adjust based on test results.

To learn more, or apply for a **free upgrade evaluation** click here: <http://www.panayainc.com/Request-a-Trial.html>