

## Companies lower salaries to focus on retaining personnel

2008-09-17 de [Robert Iloviceanu](#)

**Increasingly more companies tend to resize their salaries' budgets, as they would rather invest more in current employees and pay lower wages when recruiting new workers.**

The effects are already visible, as annual turnover in multinational companies declined to 17 percent in 2008, compared to 21 percent in 2007, according to a study by human resources consulting company Mercer.

"This year, companies focus more on retaining personnel and increasing performance benefits," HR Services Manager within consulting company PricewaterhouseCoopers (PWC) Romania, Ruxandra Stoian, said. To avoid high salary costs, especially for entry level positions, where job candidates ask for high wages, companies are changing the job requirements or reorganize internal structure.

"Companies are seeking for efficient ways to retain seniors, as they have significant experience and are not much more expensive than entry-level employees. For instance, the salary of a junior financial controller with experience and several years of seniority within the company can amount to ?1,500, while a senior controller with experience several years of seniority earns some ?1,700-2,000 pr month," Total Business Solution recruiting and executive search company's Managing Partner, Daniela Necefor, said.

Furthermore, companies tend to adjust benefits to the needs of each employees, Stoian added. "Employers are striving to find benefits programs to suite employees' wishes and expectations," she said.

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