

## East Europe Salary Survey

Three years ago, when we prepared our first Salary Survey for Eastern Europe, there was a great pandemonium due to the fact that this region was growing and new countries were being added to the European Union and everything was buoyant.

In 2009 and 2010, with the world wide recession, a damper was put on growth in the region as finding funding for operating and building was a great challenge. Also when many of the countries in the region switched from their local currency to Euros, salaries went up and so did the cost of everything. The Euro has teeter tottered over the last 12

months and the Euro dropped, but there is still growth in the region, but generally in oil rich regions where building has already started or in under developed areas, which are crying out for hotel rooms.



**In conclusion**, we have found in compiling our 2010 Salary Survey that salaries have not moved up or down, but are generally “flat”. A few positions have varied due to shortages while most of the roles stayed fairly constant to our 2009 survey.

The European financial recovery will have a great say on future salaries changes for 2011.

<b><u>2010 East Europe Salary Scale*</u> (in Euros)</b>					
This Guide is for Deluxe Hotels with a Minimum Average Room Rate of <b>US\$165</b>					
Salaries are considered net for expatriates or gross for local professionals. We have deducted local taxes for expatriates where applicable					
<b>100 Rooms - 450 Rooms</b> 4-5 Star International Rated Hotels **					
Positions	Lowest Reported		Highest Reported		*Average for International Career Expat.
	Local Professionals	International Career	Local Professionals	International Career	

	Expat.		Expat.		
General Manager	48	62	148	500 *	<b>96</b>
Resident Manager +	36	42	72	90	<b>52.3</b>
Rooms Division Manager +++	27	36	50	72	<b>46.7 +++</b>
Front Office Manager	22	29	36.9	48	<b>42</b>
Executive Housekeeper	32	36	52	70	<b>43</b>
Chief Engineer	29	48	58	81	<b>51</b>
Laundry Manager	21	n/a	38	n/a	<b>n/a</b>
Food & Beverage Director ++	37	45	73	90	<b>49.9 ++</b>
Restaurant Manager (Fine Dining Room)^	28	32	40	52	<b>41.7</b>
Catering Manager (Sales)^	21	n/a	38	n/a	<b>n/a</b>
Banquet Manager (Operations)^	23	28	43	n/a	<b>n/a</b>
Executive Chef	36	40	62	90	<b>54</b>
Gourmet Restaurant Chef	n/a	34	n/a	84	<b>38.1</b>
Executive Sous Chef	29	34	42	64	<b>34</b>
Italian Chef	n/a	38	n/a	76	<b>44.4</b>
Pastry Chef	22	31	41	66	<b>41.2</b>
Comptroller	36	41	54	83	<b>59.7</b>
Human Resources & Training Manager	29	34	40	56	<b>42.7</b>
Sales & Marketing Director	39	44	72	96	<b>62</b>
Sales Manager (No. 2) or Dir. of Sales	22	n/a	52.5	n/a	<b>n/a</b>
Revenue Manager	29	32.9	40	48	<b>38</b>
IT Manager	26	27	42	66	<b>43.3</b>

Annual Salary, Euros(1000s)

Note:

The high end salaries on the scale are predominantly Russia and the low end is the Baltic states. Hungary and Czechoslovakia are mid range. Turkey bounces between high end in Istanbul and some of its trophy resorts hotels, and low end in its normal resorts, many of which are all inclusive.

^

No gratuities are included.

Average: mid range. The highest and lowest salaries given to us are always removed from our calculations

### Comments:

\* Corporate responsibility as well (GM/VP). This was for a role in South Tukey. The individual is no longer employed and his resort is in financial difficulty.

+ No. 2 in command of the hotel

++ Sometime the title is Executive Assistant Manager - F&B, and the position is No. 2 in the hotel due to the size of the property; in which case the Food & Beverage Director's Salary as described may be increased approximately by 15% to compensate for a more senior title.

+++ Sometime the title is Executive Assistant Manager, and the position is No. 2 in the hotel due to the size of the property

**International expatriates are hotel school educated and career hoteliers. They are expatriates working outside of their home country with recognized international hotel groups or world-renown independents.**

**Countries in Eastern Europe Study taken in:**

Albania, Belarus, Bosnia and Herzegovina, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia and all its democracies, Turkey, Serbia and Montenegro, Slovakia, Slovenia and Ukraine.

\*\* This study included only chain or internationally recognized hotels. This was to avoid including properties where standards of service could not be verified, or where casino or family issues clouded true responsibilities or perceived standards of the hotel.

Benefits, bonus or other perks were not included. Generally housing and car were offered to all international expatriates and may local professionals are given a car, cell phone and laptop.

Note: The highest salaries by far are in Moscow and throughout Russia. The lowest salaries are in Croatia, Slovenia, Latvia, Albania, Macedonia, Moldova and Estonia.

The difference between a local expatriate and a career expatriate are clear.

A local expatriate professional is working out of his/her own country, but does not have the conventional hoteliers background which includes a recognized international hotel school degree followed with an internship or stagiaire at well-known hotels. Brands like Starwood, Hilton or members of the Leading Hotels of the World. These local expatriates have worked at independent hotels and achieved advanced schooling, in their own countries, and they have only worked within E. Europe.

A career expatriate has been educated at internationally recognized hotel schools or institutions and then has been employed by one of the major brands and has worked outside of his/her home country. Most have worked in different parts of the world.

\*\*\* The most desired 3 languages used in this area are English, German and Russian.

N/A: Either not enough data to form an opinion, or post usually a local post.

Note: Most local expatriates are not paid net but gross, so their salaries when tax deducted are far less than career expats who are paid net of tax.