

Focus on Pay Practices as Compared to the Market

Boeing's salary management objective is to offer salaries that:

- Are competitive within the marketplace and equitable within the company
- Reflect the employee's contribution to the business
- Are consistent with the business environment

Pay practices

The foundation of formulating our competitive compensation package is based on an annual independent survey of salary data collected by a worldwide consulting firm from hundreds of high-technology and aerospace companies. Total compensation must be market-competitive to both attract and retain the best talent, as well as win business in an increasingly competitive and uncertain environment.

Current Pay Practice	Professional Unit	
	Boeing	Market
Overtime	Regular hourly rate + \$6.50 premium. Boeing has proposed regular hourly rate + \$15 premium for overtime in excess of 144 hours per quarter.	70% of companies surveyed do not pay any overtime. The remainder either pay straight time or various rates of overtime such as a flat daily amount or double time for holidays. Very few offer an overtime premium on top of straight time.
Cost of Living Adjustment (COLA)	Given by Boeing as protection against hyperinflation	Our surveys found no private companies offering a COLA formula for professional employees.
Incentive pay	Employee Incentive Plan (EIP), Boeing employees received 41 days of extra pay during the 2005-2008 SPEEA contract	Practices vary
Holidays	12 days/year	12 days/year