



Seat of Power: Defense Employers Gain Edge in Security-Cleared Compensation

Des Moines, Iowa, February 25, 2013 – Troop withdrawals from the Middle East and lower starting pay for security-cleared talent who are new to their employer are the top reasons compensation for security-cleared professionals dropped three percent year/year to \$88,447 in 2012, according to a comprehensive study with more than 16,300 professionals responding from ClearanceJobs.com, the leading online career network for professionals with an active federal security clearance. These results mark the first time both average earnings and average salaries (\$75,208, down 1% year/year) fell in the same year.

To understand what's contributing to the trend, the results indicate rebalancing by the military and by the defense industry as the primary factors, but not the only factors. Military personnel, who earn more than 40 percent above their base pay, saw their total compensation drop more than five percent to \$64,601, likely due to fewer troops in harm's way which lowers combat pay's contribution to total compensation. An even sharper decline, eight percent to \$82,124, was felt by security-cleared professionals who were new to their employer in 2012, as compared to that cohort a year ago.

"The defense and aerospace industries are facing new economic realities, balanced by the need to invest against future threats," said Evan Lesser, founder and Managing Director of ClearanceJobs.com. "Now, employers have an edge over pay for security-cleared candidates, with a few notable exceptions – cybersecurity professionals, software developers and project or program managers. Any sequestration soft spot is an opening to have key talent – particularly in technology – assess their career options. The industry needs to guard against losing its best and brightest."

CyberSecurity and Six-Figure Roles

The opportunity for career advancement and financial rewards are evident in cybersecurity. More than one-fifth of respondents (22%) confirmed they work on cybersecurity initiatives, including defensive or offensive measures. The average compensation totaled \$101,198 in 2012 consisting of average salaries of \$88,092 and \$13,106 of additional earnings. Despite strong job satisfaction amongst cybersecurity professionals (64%), respondents are interested in testing the job market, with 36 percent of respondents noting it's likely they'll switch employers in the next twelve months.

Even stronger total compensation was registered for software programmers, whose total compensation rose nearly six percent to \$107,471, including base pay that tops six figures. Software or systems engineers earn on average \$108,064, but a bigger percentage comes from incentive compensation, compared to their programming counterparts. Likewise, program or project managers for technology (\$114,917), engineering (\$124,534) or other projects (\$105,476) continue to be amongst the best paid security-cleared professionals.

Other roles with six-figure earnings: Aerospace engineering, telecommunications engineering, and RF engineering.

“By definition security-cleared professionals must be U.S. citizens and we’ve had about a decade where young Americans either chose not to major in engineering or drop out from this course of study midstream,” noted Mr. Lesser. “In the short-term it’s wonderful for take-home pay, but employer frustration is getting to a tipping point. With a scarcity of experienced security-cleared tech talent, open positions stay open – not an optimal outcome in the land of opportunity.”

Flat is the New Up

Security-cleared professionals working in the Capital region (D.C., Maryland and Virginia) earned on average \$97,952, essentially flat from the previous year. While it has always paid to be security-cleared and near the seat of power, the compensation gulf between those in the D.C.-metro area and other parts of the U.S. is widening. In particular, compensation of security-cleared talent in Florida and California weighed down the overall average.

Florida, California, as well as Texas and Alabama are aerospace defense hubs. The results indicated consistent and valid concerns around contract losses – it’s these types of programs deemed most at risk for budget cuts and security-cleared professionals working for defense contractors in these states had sharp declines in average compensation. In Alabama, security-cleared earnings dropped six percent year/year to \$80,691. Overall including returning troops, Florida’s security-cleared professionals compensation dropped eight percent to \$75,657 year/year. There was a similar impact in Texas where security-cleared earnings declined two percent year/year to \$72,142. And with significant military installations in California, there was a five percent year/year decline in security-cleared compensation in that state to \$83,440.

Other states where compensation was north of \$80,000 were Colorado (\$87,100, up 2% year/year), Massachusetts (\$83,824, down 8% year/year), New Jersey (\$82,808, down 6% year/year) and New Mexico (\$82,546, up 3% year/year).

Methodology

The 2013 Security Clearance Jobs Salary Survey was administered online by ClearanceJobs.com between October 30, 2012 and January 21, 2013. A total of 16,315 completed questionnaires were obtained, an increase over last year’s sample size total of 11,436. Security-cleared respondents were invited to participate in the survey through notifications on the ClearanceJobs.com home page and various communications and links. Participants had to have a current, active federal security clearance and be currently employed to be included in the results. Cypress Research Group provided the statistical analysis for the ClearanceJobs.com Compensation Survey. For the white paper of the study, please visit www.clearancejobs.com/files/salary.html.

About ClearanceJobs.com

ClearanceJobs.com, a Dice Holdings, Inc. service, is the leading Internet-based career network dedicated to matching security-cleared professionals with the best hiring companies searching for new employees. Authorized U.S. government contractors, federal agencies, national laboratories and universities utilize The Cleared Network to quickly and easily find candidates with specific, active security clearance requirements to fill open jobs in a range of disciplines. For more information, please visit www.ClearanceJobs.com

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