Pearl Meyer

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Securing AI Talent Requires the Latest Market Data



Rebecca Toman

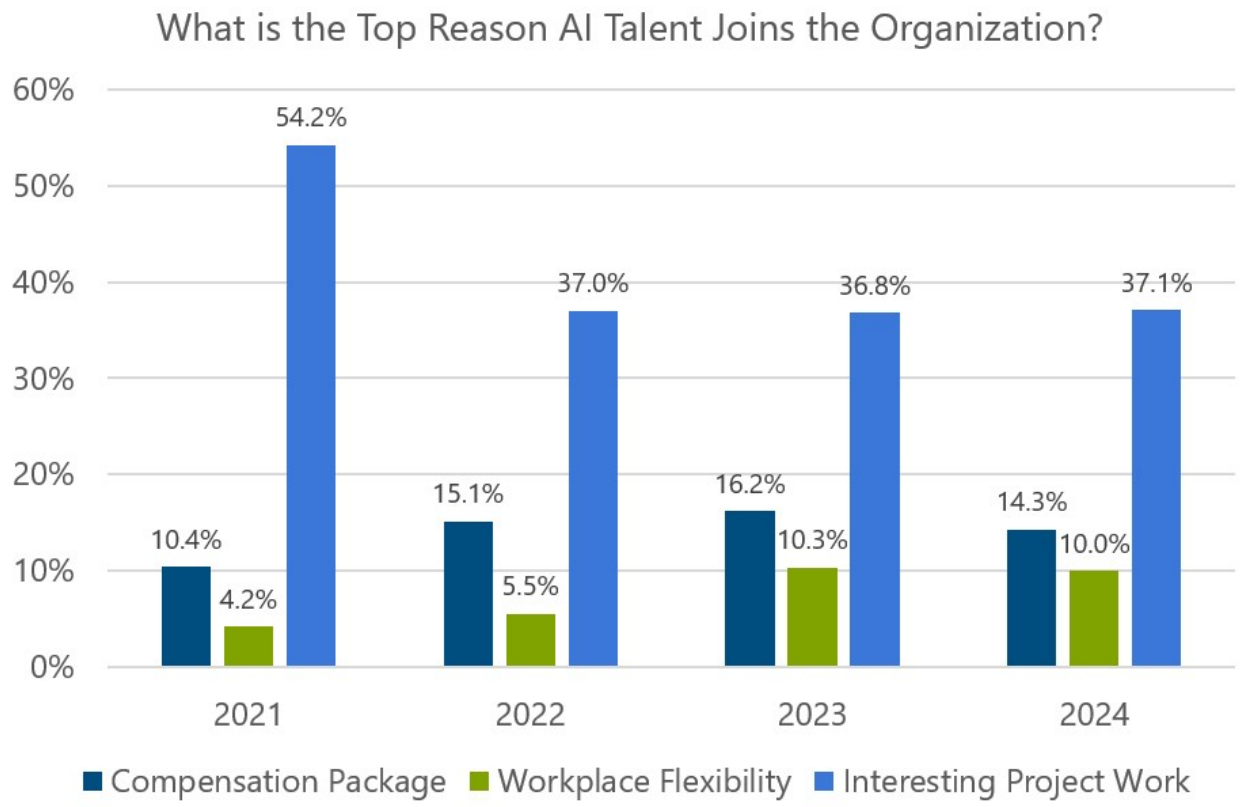
VICE PRESIDENT, SURVEY
BUSINESS UNIT

In just a few short years, AI has become a leading opportunity (and concern) for many companies, and the release of ChatGPT and other AI models has put even more focus on this technology. As AI becomes more integrated in all business functions, the demand for AI talent has risen sharply. The Bureau of Labor Statistics expects opportunities in computer and information research, which includes AI positions, to grow by 26% in the next 10 years. Additionally, the Trump Administration recently announced the Stargate initiative, a $500 billion AI infrastructure project backed by OpenAI, SoftBank, MJX, and Oracle. Soon, this new project is expected to create over 100,000 US jobs including AI engineers, data scientists, researchers, project managers, cyber security engineers, and software developers.

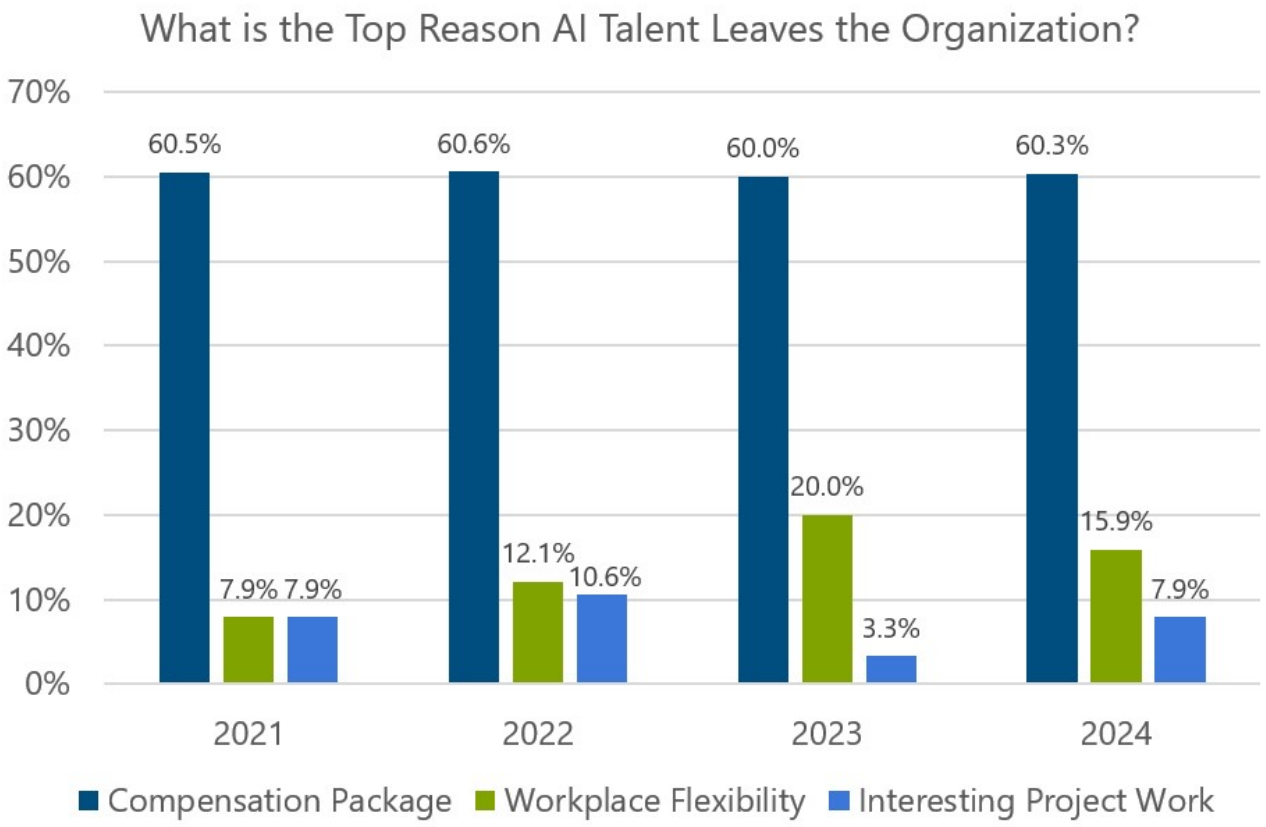
With a current significant shortage of AI talent, both in the US and globally, it is increasingly important that companies seeking to hire in this area offer competitive total rewards packages to attract, retain, and motivate these professionals.

Each April, Pearl Meyer publishes the Cyber Security, AI, Robotics and Data Science Salary Survey which reports competitive base salary, short-term incentives (STI), and total cash compensation for people working in these emerging technical areas. Within the policies and practices questionnaire, the survey asked respondents to provide the top reason that AI talent joins the organization and found that over the last four years, interesting project work has been the top reason for joining the organization. However, the number of companies citing the compensation package and workplace flexibility have also

steadily increased.



The survey also asks for the top reason AI talent leaves the organization and compensation packages are consistently the top reason for voluntary turnover among AI professionals.

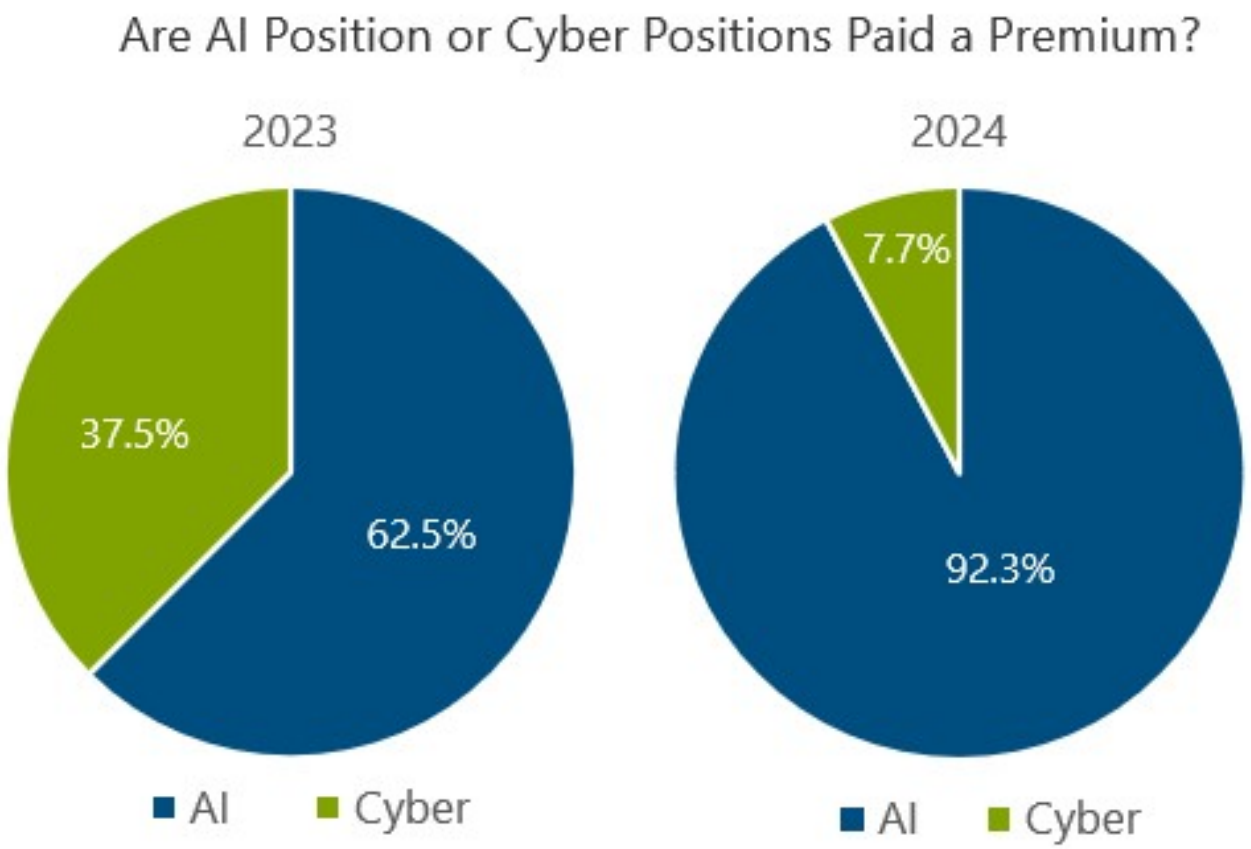


With compensation packages becoming a growing reason that AI talent joins organizations and the leading reason they depart companies, it is critical to have timely and reliable market data to price these key roles.

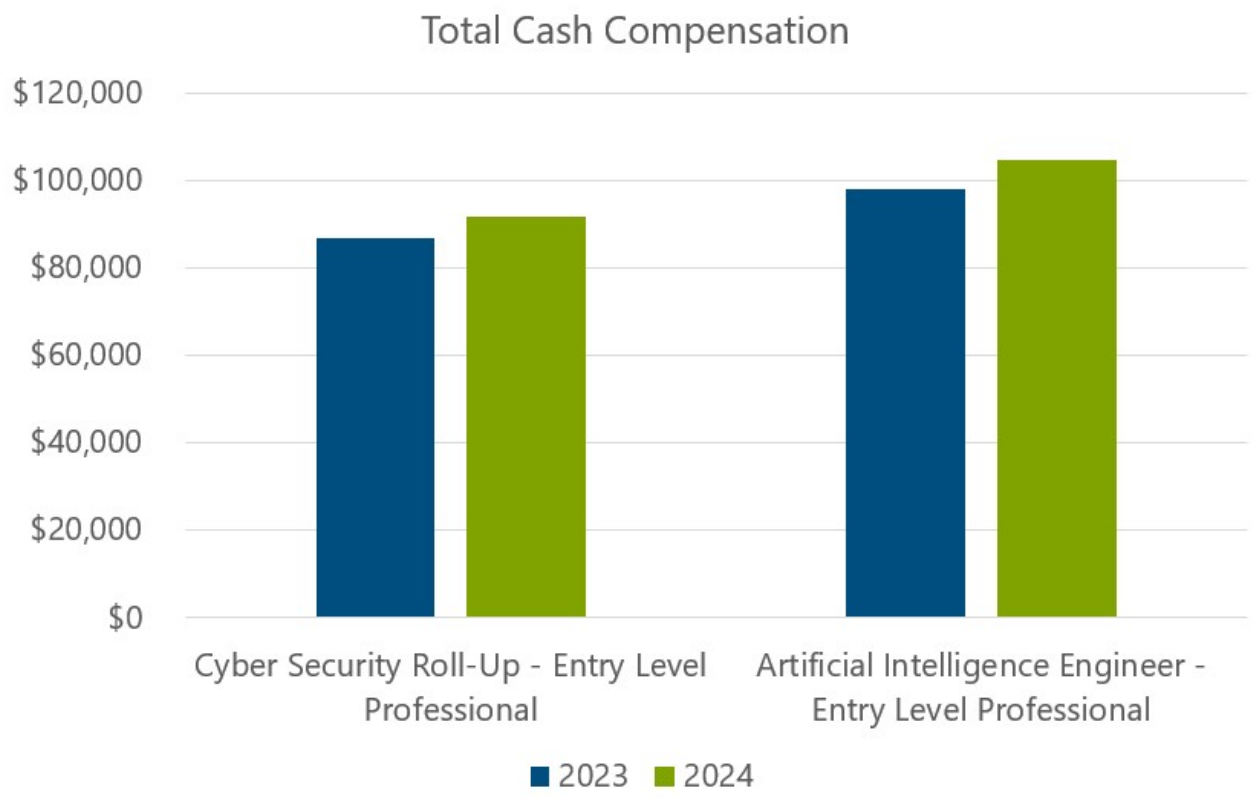
Salary surveys often lag the labor market in providing compensation data for in-demand emerging roles. For example, Pearl Meyer has been surveying cyber security compensation rates for a decade, while AI roles have only been included in major surveys for the last few years. One strategy to market price these roles when data is limited is to compare to similar positions and apply an appropriate differential. Organizations that have reputable and current pay rate information for high-demand technology roles like cyber security may consider applying a premium to that market data to price a hot job in the AI field.

The survey also asks respondents if AI and cyber roles are paid differently, and if so, which role is paid a premium. AI roles are increasingly being paid more than cyber roles. In fact, between 2023 and 2024 the percent reporting that AI is paid a premium jumped from 62%

to 92%.


Are AI Position or Cyber Positions Paid a Premium?
2023
37.5%
62.5%
AI
Cyber
2024
7.7%
92.3%
AI
Cyber

New college graduates and early career professionals will be instrumental in narrowing the gap in the AI staff shortage. Entry-level AI pay increased over 7% in the last year and surpassed $104,000. In fact, the survey reported above-average total cash increases at all levels for artificial intelligence engineers.



Pay rates at all levels will evolve rapidly as demand continues to increase for these critical roles. And while compensation is cited as the primary reason that AI talent departs an organization over 60% of the time, these companies can reduce turnover by obtaining timely, high quality surveys that provide data on external practices related to competitive annual salary increases, short-term incentives, and retention bonuses. Current market data provides a competitive advantage for organizations that are committed to providing ongoing total rewards packages that motivate and retain employees beyond the initial hire.

More information on the Cyber Security, AI, and Data Science Salary Survey is available in the prospectus. The full report serves as a valuable benchmarking resource for comparing your company's pay practices to the rest of the market from entry level to top executives.

To purchase a copy of the survey report, click here. For information on participating in this year's survey, contact survey@pearlmeyer.com.

About the Author

Rebecca Toman is the vice president, Survey Business Unit at Pearl Meyer. In this role, she designs and publishes compensation and benefits surveys for a wide range of industries and employee populations. Rebecca is on the WorldatWork faculty where she teaches a course on Job Analysis and Documentation.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management helping organizations build, develop, and reward great leadership teams that drive long-term success. Our strategy-driven compensation and leadership consulting services act as powerful catalysts for value creation and competitive advantage by addressing the critical links between people and outcomes. Our clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private organizations to the Fortune 500.