

## Compensation

# HR's Elite

A ranking of the  
40 highest-paid HR  
executives listed  
in SEC filings.

Despite a decline of roughly \$667,000 in total compensation, Dennis Donovan of Home Depot retained his position as the highest-paid HR executive listed in a database of Securities and Exchange Commission filings.

In 2003, Donovan's total compensation was more than \$5.3 million, compared to roughly \$6 million a year earlier. While his salary, bonus and restricted stock were up, the total value of options granted resulted in the difference.

For the second year in a row, Equilar Inc. of San Mateo, Calif., has produced, exclusively for *Human Resource Executive*, a ranking of the 40 highest-paid HR executives at publicly traded companies in which the HR leader's compensation is among the top five of all officers. Of the roughly 4,000 companies included in Equilar's database, 203 included HR executives who were among the five most highly compensated company officers (approximately 5 percent).

Though impressive, most HR executives' pay packages still represent a small percentage of what the average CEO pulls in. As a whole, the median total comp for all HR executives listed in the SEC filings was just below 30 percent of what their CEOs earned, according to an analysis of the data. Larree M. Renda of Safeway had the highest percentage, with roughly 374 percent of her CEO's total comp. J. David Tolbert of Jarden Corp., meanwhile, had the lowest percentage, at just below 3 percent.

Compared with 2002 figures, the median total compensation was down 3.5 percent. Of those executives for whom two years of data are available, Robert Chamness of Digimarc Corp. experienced the biggest decrease (90.2 percent), while C. Gabriel Haagensen of Provident Financial Services experienced the biggest increase (1,122 percent).

On the list of the highest paid, Donovan was followed by Leo Taylor of Pulte Homes and William Roskin of Viacom Inc. Total comp for Taylor amounted to more than \$4.4 million, while total comp for Roskin was just over \$4.3 million.

Equilar ([www.equilar.com](http://www.equilar.com)) is a leading provider of compensation-governance solutions for the analysis of trends in executive and board pay.

Rank 2003	Rank 2002	Executive Name	Title	Company Name	Total Comp (1)	Salary	Bonus	Total Value of Options Granted (2)	Restricted Stock	LTIP Payouts	Total Employees	Annual Revenues (\$000s)
1	1	Dennis M. Donovan	exec. v.p., HR	Home Depot Inc.	\$5,337,852	\$625,577	\$500,000	\$1,306,125	\$2,906,150	-	299,000	\$64,816,000
2	-	Leo J. Taylor	exec. v.p., HR	Pulte Homes Inc.	\$4,430,976	\$369,615	\$1,100,000	\$1,843,961	\$865,400	\$252,000	10,800	\$9,048,926
3	5	William A. Roskin	sr. v.p., HR & admin.	Viacom Inc.	\$4,344,786	\$1,004,327	\$1,000,000	\$2,340,459	-	-	117,750	\$26,585,300
4	-	Larree M. Renda	exec. v.p., retail operations, HR, public affairs, labor & gov't relations	Safeway Inc.	\$3,738,075	\$549,000	\$98,000	\$1,245,075	\$1,846,000	-	208,000	\$35,552,700
5	18	Mary Jean Connors	sr. v.p., HR	Knight Ridder Inc.	\$3,645,412	\$540,577	\$180,944	\$1,670,708	-	\$1,253,183	18,000	\$2,945,991
6	-	Pedro P. Granadillo	sr. v.p., HR & manufacturing	Eli Lilly & Co.	\$3,463,618	\$661,380	\$375,638	\$2,426,600	-	-	46,100	\$12,582,500
7	-	G. Brent Stanley	sr. v.p., HR of PG&E corp.	PG&E Corp.	\$3,411,823	\$305,000	-	\$611,720	\$353,927	\$2,141,176	20,600	\$10,435,000
8	7	Robert B. Foreman	v.p., HR	SPX Corp.	\$2,964,994	\$400,000	\$1,230,812	\$1,262,440	\$71,742	-	22,200	\$5,081,500
9	-	C. Gabriel Haagensen	exec. v.p., human capital management	Provident Financial Services Inc.	\$2,911,200	\$205,000	-	\$1,691,200	\$1,015,000	-	664	\$184,506
10	-	Bruce A. Johnson	sr. v.p., HR	Timberland Co.	\$2,857,564	\$330,000	\$700,000	\$1,827,564	-	-	5,500	\$1,342,123
11	4	Jerald L. Maurer	exec. v.p., HR & legal	Quantum Corp.	\$2,791,370	\$401,183	-	\$2,390,187	-	-	3,100	\$870,809
12	12	Thomas G. Cody	vice chair, legal, HR, internal audit & external affairs	Federated Department Stores Inc.	\$2,660,464	\$746,667	\$748,100	\$1,165,697	-	-	111,000	\$15,264,000
13	-	Brian J. Brooks	exec. v.p., chief talent & HR officer	Interpublic Group of Cos. Inc.	\$2,658,119	\$463,750	\$160,000	\$140,670	\$1,893,699	-	43,400	\$5,863,400
14	8	Owen C. Johnson	exec. v.p., HR & admin.	ConAgra Foods Inc.	\$2,593,020	\$500,000	\$544,000	-	\$774,510	\$774,510	63,000	\$19,839,200
15	-	J. Michael Jenkins	v.p., HR	Cabot Microelectronics Corp.	\$2,442,735	\$201,750	\$90,000	\$2,150,985	-	-	549	\$251,665
16	10	John D. Butler	exec. v.p., admin. & chief HR officer	Textron Inc.	\$2,258,373	\$480,000	\$450,000	\$486,153	\$308,420	\$533,800	43,000	\$9,859,000
17	6	Michael H. Campbell	sr. v.p., HR & labor rel.	Continental Airlines Inc.	\$2,160,056	\$474,300	\$581,250	-	-	\$1,104,506	37,680	\$8,870,000
18	30	John W. Holleran	sr. v.p., HR & general counsel	Boise Cascade Corp.	\$2,104,294	\$412,008	\$204,886	-	\$1,487,400	-	37,618	\$8,245,146
19	-	Roger C. Gaston	corp. v.p., HR	Storage Technology Corp.	\$1,916,884	\$304,000	\$375,000	\$981,210	\$256,674	-	7,100	\$2,182,560
20	2	Donald M. Levinson	exec. v.p., HR & services	Cigna Corp.	\$1,906,294	\$575,000	\$506,000	\$653,294	\$172,000	-	32,700	\$18,808,000
21	21	Chester V. A. Murray	sr. v.p., & chief HR officer	Moody's Corp.	\$1,857,624	\$410,000	\$580,000	\$867,624	-	-	2,300	\$1,246,600
22	-	Gary S. Rich	pres., global QSP & sr. v.p., HR	Readers Digest Association Inc.	\$1,811,255	\$363,942	\$164,300	\$295,220	\$823,493	\$164,300	4,700	\$2,474,900
23	-	S. Frank Fritsch	sr. v.p., HR	Select Medical Corp.	\$1,768,776	\$267,800	\$268,000	\$1,232,976	-	-	12,800	\$1,396,773
24	24	Gary L. Davis	exec. v.p., chief HR & admin. officer	J.C. Penney Co. Inc.	\$1,684,038	\$538,750	\$404,063	\$741,225	-	-	147,000	\$17,786,000
25	-	S. Lanette Zimmerman	exec. v.p., HR & comm.	Nisource Inc.	\$1,666,969	\$325,000	\$121,225	\$189,929	\$565,340	\$465,475	8,614	\$6,246,600
26	-	Kevin O'Connor	sr. v.p., HR	Solectron Corp.	\$1,642,870	\$305,000	\$300,000	\$855,370	\$182,500	-	66,000	\$11,014,000
27	-	Walter M. Oliver	sr. v.p., HR & admin.	General Dynamics Corp.	\$1,638,111	\$350,000	\$365,000	\$620,103	\$303,008	-	67,600	\$16,617,000
28	-	David L. Murphy	exec. v.p., HR	McGraw-Hill Cos. Inc.	\$1,617,328	\$522,500	\$436,748	\$658,080	-	-	16,068	\$4,827,857
29	40	Louis A. Kaucic	sr. v.p., & chief people officer	Applebee's Intl. Inc.	\$1,591,710	\$277,702	\$213,436	\$473,759	\$195,375	\$431,438	26,900	\$990,138
30	25	Richard F. Walsh	sr. v.p., HR	Perkin Elmer Inc.	\$1,510,856	\$375,000	\$404,250	\$731,606	-	-	10,000	\$1,535,222
31	-	Brenda A. Belger	sr. v.p., HR	Odyssey HealthCare Inc.	\$1,449,335	\$139,484	\$35,381	\$1,274,470	-	-	3,167	\$274,309
32	29	Lea N. Soupata	sr. v.p., & HR group manager	United Parcel Service Inc.	\$1,429,745	\$472,400	\$190,760	\$345,601	\$420,984	-	355,000	\$33,485,000
33	26	Stuart M. Stolper	sr. v.p., HR	Talbots Inc.	\$1,402,810	\$388,753	\$173,400	\$528,157	\$312,500	-	4,400	\$1,624,339
34	-	R. P. Randazzo	sr. v.p., HR	Federal Mogul Corp.	\$1,357,954	\$399,804	\$958,150	-	-	-	44,900	\$5,546,000
35	-	Karen G. Narwold	v.p., general counsel, HR & secretary	GrafTech Intl.	\$1,325,060	\$250,000	\$250,000	\$825,060	-	-	3,762	\$712,000
36	-	Pamela J. Turbeville	sr. v.p., HR & admin.	Navistar Intl. Corp.	\$1,303,786	\$366,667	-	\$937,119	-	-	14,200	\$7,340,000
37	-	Jonathan T. Stewart	sr. v.p., HR	Martin Marietta Materials Inc.	\$1,245,992	\$241,000	\$85,000	\$235,608	\$658,175	\$26,209	5,900	\$1,711,453
38	-	David R. Sheil	sr. v.p., HR & chief admin. officer	Cooper Industries	\$1,214,671	\$338,500	\$322,500	\$390,035	\$163,636	-	27,188	\$4,061,400
39	11	Robert L. Colman	exec. v.p., HR	Delta Air Lines Inc.	\$1,205,970	\$410,667	-	\$710,739	-	\$84,564	70,600	\$13,303,000
40	-	Gwen McDonald	sr. v.p., HR	3Com Corp.	\$1,204,458	\$311,538	\$39,375	\$746,295	\$107,250	-	3,300	\$932,866

#### Footnotes:

(1) Total Compensation is the sum of Salary, Bonus, Total Value of Options Granted, Restricted Stock and LTIP Payouts.

(2) Total Value of Options Granted is calculated by Equilar using Black-Scholes methodology.