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IMA 2011 Salary Survey

What Does This Recovery Feel Like?

By Lee Schiffel, CGFM; David L. Schroeder; and Kenneth A. Smith

The year 2011 will be remembered as significant for geopolitical change and financial turmoil across the world. Just four days into the year, the death of Tunisian vendor Mohammed Bouazizi led to the Arab Spring that brought regime changes in several countries. On June 13, 2011, Greece received the lowest credit rating in the world after Standard & Poor's downgraded it three notches—from B to CCC. The leaders of the European Union would spend many tense months working to find solutions.

In the United States, Congressional actions related to the debt ceiling and other financial issues led to the first-ever lowering of the U.S. credit rating on August 5. By mid-September, a group of protesters gathered in New York City's Zuccotti Park, which led to the now famous "Occupy" movement that spread throughout the country and parts of the world.

Under this backdrop, the U.S. economy was allegedly continuing an economic "recovery." Yet in an October 6 article in *The New York Times*,

How Did We Conduct the Survey?

The salary survey was mailed to a random sample of 5,122 IMA members in early December 2011. The sample was designed to represent the IMA membership in the United States geographically. A follow-up survey was sent in January 2012 to those who hadn't responded to the first mailing. The sample size was selected to allow for a 95% confidence level of estimating the population mean within plus or minus 3% based on expected return rates.

A total of 1,441 questionnaires was returned, yielding an overall response rate of 28%. Of this number, there were 1,258 usable questionnaires representing 24.6% of persons surveyed. This response rate allows for a 95% confidence level for all data on the survey because those persons responding to the survey represented the IMA membership proportionately for those demographics maintained by IMA. Among the surveys that couldn't be used, roughly 2% of the respondents reported being unemployed, and 3% reported some combination of retired/part-time employment.

The response rates for the 2011 survey are the lowest in more than a decade. The response rates for both 2010 and 2009 were 32%/30% total/usable responses. Historically, response rates have fallen over the past 12 years from 41%/38% total/usable responses in 1999 to this year's low. Previously, the lowest response rate was in 2004 (30%/28%). Despite the lower response rate this year, our confidence level remains at 95%, allowing us to estimate population means within plus or minus 3%.

Motoko Rich wondered whether that description was appropriate, pointing out that the term “recovery” didn’t seem to capture the slow growth in jobs, income, or housing felt by so many citizens. One quote that sticks out came from Kevin Hassett, director of economic policy studies at the American Enterprise Institute. In suggesting that “recovery” might be the right word after all, Hassett said: “After surgery, they take you to recovery and you don’t feel great while you’re in there.”

With all these events going on in 2011, we look to the annual IMA® Salary Survey to see how members are faring in these complex times. For the first time in the 23-year history of the survey, the average salary decreased from the previous year. The average salary of members responding to the 2011 survey was \$109,001, a decline of \$264 (0.2%) from the 2010 average of \$109,265. The good news is that, despite the decline in average salary, average total compensation increased \$1,105 (0.9%) from

\$128,486 in 2010 to \$129,591 in 2011. For the fourth consecutive year, neither change is statistically significant. This is the second straight year that the percentage increase in average total compensation is greater than the change in average salary.

More respondents reported a salary increase in 2011 than in 2010, and the average amount of the increase received was greater. This year saw 4% more IMA members with a raise: 70% vs. 66%. The total percentage is less than the 74% of members who reported an increase in 2006 and 2007, about the same as the 71% in 2008, and certainly better than the low of 46% in 2009. The average amount for those receiving an increase was \$6,135, which is better than the roughly \$5,700 received during each of the last three years.

The univariate statistics for the five most recent salary surveys (2007-2011) are shown in Table 1. None of the changes is statistically significant. The increase in total compensation is the second-worst increase for all but the 80th percentile. For the second year in a row, the 80th percentile (or top 20% of respondents) saw an increase of at least \$5,000 in total compensation. Over the past six years, the top

Table 1: COMPARISON OF UNIVARIATE STATISTICS FOR 2007–2011

Years	Range	Mean	Median	20th percentile	80th percentile
Average Salary					
2011	\$20,000 to \$600,000	\$109,001	\$98,026	\$71,000	\$138,000
2010	\$28,000 to \$900,000	\$109,265	\$98,000	\$72,000	\$139,000
2009	\$21,000 to \$465,000	\$105,850	\$94,900	\$70,000	\$135,500
2008	\$20,000 to \$825,000	\$104,092	\$93,505	\$68,800	\$131,325
2007	\$20,000 to \$505,000	\$101,805	\$92,000	\$67,500	\$125,500
Average Total Compensation					
2011	\$30,000 to \$ 900,000	\$129,591	\$106,965	\$75,000	\$165,000
2010	\$28,000 to \$1,000,000	\$128,486	\$105,000	\$74,500	\$160,000
2009	\$21,000 to \$ 900,000	\$123,357	\$100,700	\$72,500	\$154,600
2008	\$20,000 to \$ 920,000	\$122,614	\$102,325	\$70,000	\$154,130
2007	\$20,000 to \$ 975,000	\$120,972	\$100,000	\$71,700	\$150,000

Table 2: “AVERAGE” IMA MEMBER

	2011	2010	2009	2008	2007
Median age	48	50	48	48	46
Female	34%	32%	34%	34%	32%
Male	66%	68%	66%	66%	68%
Degrees					
Baccalaureate	99%	99%	99%	99%	99%
Advanced	53%	54%	53%	51%	50%
Years of experience					
Current position	7	6	6	5	5
Current employer	10	10	10	9	9
In field	20	21	20	20	19
Family status					
Married	81%	82%	81%	80%	83%
Spouse employed outside home	63%	66%	64%	65%	65%
Percent with children	58%	66%	65%	58%	59%
Average number of children	1.2	1.2	1.3	1.2	1.2
Certification percentages					
Any certification	71%	72%	70%	69%	68%
CMA	54%	56%	54%	50%	48%
CPA	34%	35%	36%	36%	36%
CFM	8%	9%	9%	11%	9%

20% has seen increases in salary and total compensation about three times greater than the increases for the bottom 20% (the 20th percentile). While these figures aren't as dramatic as those seen nationally, where salaries and compensation in the lower percentiles haven't grown at all, the same general trend of the "rich getting richer" seems to hold true for management accountants.

Demographic information regarding the "average" IMA member in 2011 is shown in Table 2. We will use these demographics to make comparisons between this year's compensation figures and those of the prior 22 years to identify changes, track trends, and provide insight regarding the compensation of the IMA membership.¹ Here are a few highlights for 2011:

- ◆ The median age fell to 48 years old from last year's all-time high of 50. There had been a gradual increase since 2005, when it was 45.
- ◆ This year, 66% of the respondents are male and 34% are female, a proportion that has remained relatively consistent for the last five years.
- ◆ 53% of the respondents have an advanced degree, a 1% decline from last year's all-time high of 54%. The number of respondents with an advanced degree had increased every year since 2005, when it was 47%.
- ◆ The average number of years in the field declined by one year to 20, and the number of years with current employer stayed at 10. The years in current position increased to seven, which is notable since it was five in 2007 and 2008.
- ◆ At 58%, the percent of respondents with children has returned to the level it was during 2005-2008. It had been 65%-66% in the last two years.
- ◆ 71% of respondents have at least one professional certification. This is a drop of 1% and the first decline since 2004.
- ◆ The percentage of respondents with certifications dropped 1% or 2% for all three of the accounting credentials (CMA®, CPA, and CFM®) tracked. This breaks a trend for the CMA designation, which had grown at least 2% a year over the past three years.

Nature of Compensation Measures

Consistent with prior surveys, the definitions for the compensation terms are:

Average salary—the mean of all responding members' annual salary.

Average total compensation—the mean of all responding members' salary plus any additional compensation (bonuses, profit sharing, etc.).

Table 3: NATURE OF ADDITIONAL COMPENSATION

Sources	Number	Percentage
Bonus	533	60%
Profit sharing	155	17%
Other	113	13%
Stock options	30	3%
Overload/Summer school teaching/Research	30	3%
Overtime	19	2%
Auto allowance	14	2%
"n"	894	100%

Percents are rounded.

Average household income—mean of all members' salary plus additional compensation plus spouse's base salary.

The proportion of IMA members who received additional compensation was 71%, up 3% from 2010. This is consistent with the results in 2000-2009, when the range was 67%-76%. The only exception is 2001, when it was 90%. The sources of the additional compensation are presented in Table 3. Consistent with prior years, bonuses and profit sharing account for a majority of the additional compensation. The proportion of respondents receiving either a bonus or profit sharing increased to 77% from last year's 75%.

The percentage of respondents who reported profit-sharing benefits stayed relatively the same. This year, it's 17%, while it was 16% last year. Respondents receiving bonuses fell to 60% from 67% in 2010 and 62% in 2009, perhaps an indication that some companies are beginning to struggle in the recovery.

The topic of employer-provided healthcare has become a major topic of national policy discussions as well as part of a U.S. Supreme Court case. To see how IMA members fared, we added a new question this year asking about health coverage. Only 2% of respondents said they have no coverage, 15% have an HMO, 51% have a PPO (Preferred Provider), 26% have a health savings plan, and 6% listed some other plan.

The median amount of additional compensation for 2011 was \$12,500, and the mean amount was \$29,977. These are both increases of about \$1,600 over 2010. The percentage of women receiving additional compensation grew 4% to 67%, while the percentage of men increased 2% to 71%. Yet women's average additional compensation for 2011 was only 43% of that received by men

(\$16,040 vs. \$36,885). Last year it was 42%. Both men and women reported an increase in additional compensation. Women went from \$14,485 to \$16,040, and men did even better, going from \$34,416 to \$36,885. The median amount of additional compensation reveals a similar split (\$8,000 for women vs. \$15,700 for men). The differences in additional compensation between women and men are statistically significant except for the number who received additional compensation.

Male/Female Compensation

The discrepancy in compensation between men and women has been one of the main focuses of this survey since its inception in 1989. Our measure of the salary gap is the percent of women's salary in proportion to men's salary: If women earn \$80,000 and men earn \$100,000, the salary gap is 80%. The changes in the salary and total compensation gaps aren't statistically significant from the prior year, a trend that has continued for many years. Historically, the smallest gap in salary was 80% in 2006, and the smallest gap in total compensation was 76% in 2005.

Figure 1 shows a comparison of the average compensation of men vs. women for the past five years. The average salary and average total compensation for women is less than the respective amounts for men for each of the past five years, and this has persisted since the first salary survey. In 2011, the salary gap is 78%, and the total compensation gap is 71%. The differences between men and women are statistically significant as they have been for all 23 years of the survey.

Compared to 2010, the change in the salary gap was a 0.5% improvement, and there was a 0.4% improvement in total compensation. In terms of dollars, the salary gap decreased slightly from \$26,184 last year to \$25,572 this year—the second straight year of a small decline. The dollar difference in total compensation also fell slightly from \$40,953 in 2010 to \$40,744 in 2011.

As mentioned previously, 70% of the respondents reported receiving salary increases in 2011, with more women than men reporting them (70.4% vs. 68.3%). This is an increase of 3% for both women and men. But the average salary increases reported by women are less than those reported by men (\$5,316 vs. \$6,562), as are the median amounts of the raises (\$3,000 vs. \$4,000). The average salary increases for both women and men improved a little, with both groups reporting approximately \$400 more. The median for women was the same, and the men's median increased \$400. The amount of the

Figure 1: AVERAGE SALARY AND TOTAL COMPENSATION BY GENDER

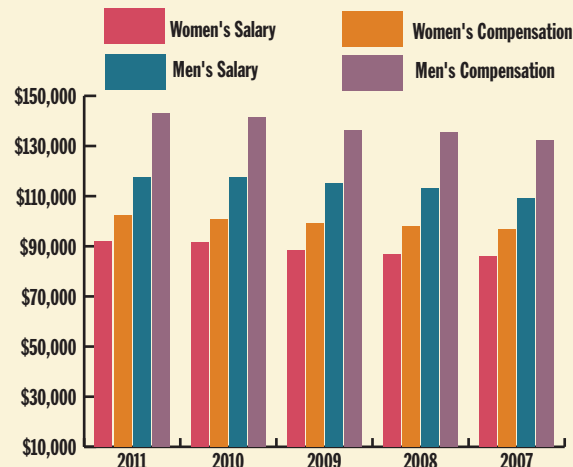
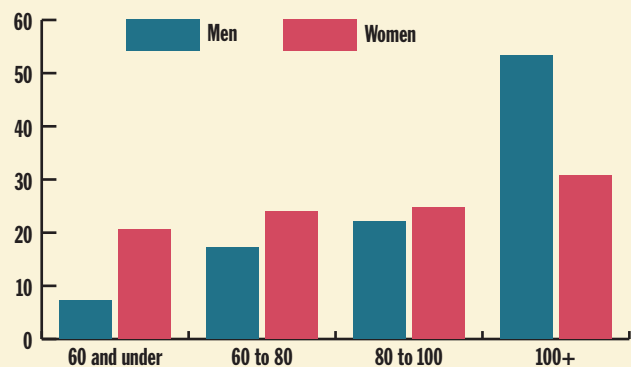


Figure 2: PERCENTAGE OF MEN AND WOMEN IN SALARY RANGES



increase in average salary by gender is considered statistically significant.

Some of the differences in compensation between men and women could be impacted by the differences in the demographic characteristics that appear in Table 2:

- ◆ Women are younger than men (46.5 vs. 47.1), which is statistically significant.

- ◆ Women are less likely to have advanced degrees (48% vs. 57%), which isn't statistically significant.

- ◆ Women are less likely to have any kind of certification (64% vs. 74%), which is statistically significant.

- ◆ Women have less experience than men as measured by years in the field (19.1 vs. 21.4), years in their current position (6.6 vs. 7.3), and years with their current employer (10 vs. 11.2). These differences are similar to last year, and only the years in current position isn't statistically significant.

Further evidence of the salary gap is reflected in

Figure 2, where 53% of the men have salaries of \$100,000 or more while only 31% of the women have salaries greater than \$100,000. The men earning more than \$100,000 fell 1.4% vs. 2010, while women in that category grew by 1.4%. As in past years, the proportion of women exceeds men in all the categories below \$100,000.

The median salary for men is \$105,000, and the same measure for women is \$84,000, a difference of \$21,000. The median for women is down \$1,000 from last year, and the median for men is unchanged. The difference between men and women is statistically significant, but the changes from 2010 aren't.

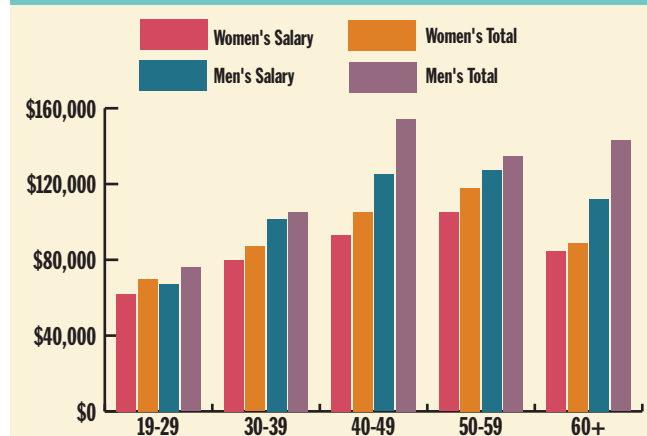
Compared to last year, the number of female respondents increased in the below \$60,000 and over \$100,000 groups by 3.4% and 1.3%, respectively. Last year there was a 5% decrease in the number of women in the below \$60,000 group, so the increase this year doesn't completely erase the relative gains from last year. The number of male respondents fell 1.3% in the over \$100,000 group and 2.3% in the \$60,000-\$80,000 group. It increased 0.8% in the below \$60,000 group and 2.8% in the \$80,000-\$100,000 group.

As in past years, the proportion of women exceeds men in all the categories below \$100,000.

Figure 3 shows the comparison of average compensation by gender and age categories. The average salary and average total compensation for women is less than that of their male counterparts for every age category, which is consistent with all of the prior years. The only time women's compensation exceeded men's was in 2004 for the 19-29 age category. The average total compensation for women for every age category is less than the average salary of men (i.e., without adding the men's additional compensation). The proportion of men and women in each age category is virtually the same as last year.

Last year we reported how the economic recovery appeared to be impacting the generations quite differently. Respondents in their 40s and 50s reported increased salaries and compensation on average, and the respon-

Figure 3: AVERAGE SALARY AND TOTAL COMPENSATION BY AGE AND GENDER



dents in their 20s, 30s, and 60s reported flat or decreased salaries and compensation. This year we see a rebound for the youngest members, as those in their 20s gained nearly \$4,000 in average salary and nearly \$9,000 in total compensation. Women in their 30s didn't rebound much, with only \$600 higher average salary and only \$900 more in average compensation. The 30-something men, however, saw big gains of more than \$10,000 in salary and \$18,000 in total compensation. For the second straight year, those in their 60s were the biggest losers, with women falling \$14,000 in salary and \$19,000 in total compensation and 60-something men falling almost \$8,000 in salary and almost \$5,000 in total compensation.

After doing well last year, respondents in their 40s and 50s had mixed results by gender. Women in their 40s had \$7,000 less in salary and almost \$4,000 less in total compensation than in 2010. The decline was less than last year's gain, so women in their 40s are still better off than in 2009. Men in their 40s saw modest gains of almost \$2,000 in salary and almost \$4,000 in total compensation. Men in their 40s made almost \$4,000 more in salary and almost \$10,000 more in total compensation than in 2009.

For those in their 50s, women saw increases in salary and compensation, but men saw decreases. The women in this category gained almost \$8,000 more in salary and almost \$9,000 more in total compensation compared to 2010. Conversely, men in this category fell almost \$3,000 in salary and about \$2,500 in total compensation. In relation to 2009, women in their 50s are better off now by more than \$10,000 in salary and \$14,000 in total compensation. Men in their 50s are better off now by almost \$5,000 in salary and almost \$10,000 in total compensation.

Table 4: COMPENSATION COMPARISONS BY YEARS IN THE FIELD

	Women		Men		All	Women as a percent of men
Average Salary						
1 to 5	\$ 68,735	[41]	\$ 83,893	[63]	\$ 77,920	81.9%
6 to 10	\$ 76,639	[51]	\$ 95,094	[82]	\$ 88,017	80.6%
11 to 15	\$ 82,445	[75]	\$117,341	[135]	\$104,878	70.3%
16 to 20	\$ 95,669	[75]	\$117,736	[114]	\$108,979	81.3%
More than 20	\$103,470	[191]	\$127,576	[428]	\$120,138	81.1%
Average Total Compensation						
1 to 5	\$ 77,448	[41]	\$ 93,730	[63]	\$ 87,311	82.6%
6 to 10	\$ 82,049	[51]	\$108,217	[82]	\$ 98,183	75.8%
11 to 15	\$ 90,541	[75]	\$148,374	[135]	\$127,719	61.0%
16 to 20	\$106,766	[75]	\$142,422	[114]	\$128,234	75.0%
More than 20	\$116,414	[191]	\$156,966	[428]	\$144,473	74.2%

Number of responses shown in brackets.

Traditionally, the salary gap has been smallest in the younger categories and then has widened over age ranges. This trend continues for the first three age categories, but women in their 50s had a smaller salary gap (83%) than women in their 30s (79%), 40s (74%), or 60s (76%). For women in their 50s, the salary gap improved from 75% last year to 83% this year. For women in their 20s, the salary gap improved from 88% last year to 92% this year. The salary gap worsened by 7% and 8% for women in their 30s and 40s, respectively. The salary gap changed just 1% for women in their 60s.

As stated previously, female respondents are younger than their male counterparts, and this is borne out by a comparison of the proportion of women and men in each of the age categories. The proportion of women in the three younger categories (19 through 49) exceeds that of men (57% vs. 54%). This is a notable change from last year, when the gap was 8% (59% vs. 51%) in the three younger categories. Consistent with prior years, around 10% of respondents didn't provide their age.

Another comparison of compensation by gender is provided in Table 4, which presents compensation by gender according to five groups of "years in the field" categories. Women respondents earned less than men in all five of the "years in field" categories for both average salary and average total compensation. This is reinforced in the last column of Table 4, which shows the compensation of women as a percent of men's compensation.

Four years ago, three of the five "years in field" categories were at 85% or above for average salary. The last three years had only one category at 85% or higher. There

are no categories at 85% or better this year, though all but the 11-15 year category is at least 80%. Average total compensation has one category over 80% this year (1-5 years), while none was that high last year. But this year there's also a category below 70% (11-15 years), which didn't happen last year.

These proportions by "years in field" have changed a bit over the past three years. For all of the categories except more than 20 years, the proportions have fluctuated at least 10%. When the proportions are averaged over the past three years, total salary is 80% in the lower two categories, 78% and 77% for the next two cate-

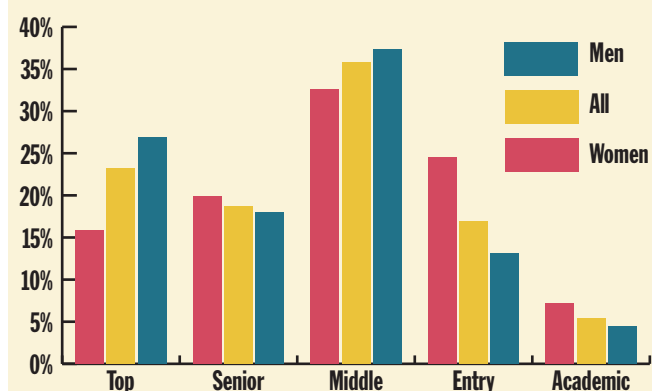
gories (11-15 and 16-20), and then back to 79% for 20 or more years. This three-year average is perhaps a more realistic view of the impact of years of service, which shows a fairly small decline over time for women.

The three-year average for total compensation shows a much greater divergence over time. It starts at 79% in the 1-5 category, falls to 74% for 6-10 years, and falls further to 72% and 69% for 11-15 and 16-20, respectively. Finally, it increases to 75% in the more than 20 category. Thus, it seems that men increase their additional compensation at a relatively higher rate than women during the first half of their career.

Figure 4 compares the proportion of women and men respondents in various management levels. As in prior years, we continue to have more men in the top level and more women in the entry level. The other levels have had some changes across both level and gender. This year saw several more male respondents in middle management as they increased from 32.8% to 37.4%. Two years ago, the male respondents in middle management were 35.7%.

The senior level rebounded for both men and women after a rough year in 2010.

Figure 4: MANAGEMENT LEVEL BY GENDER



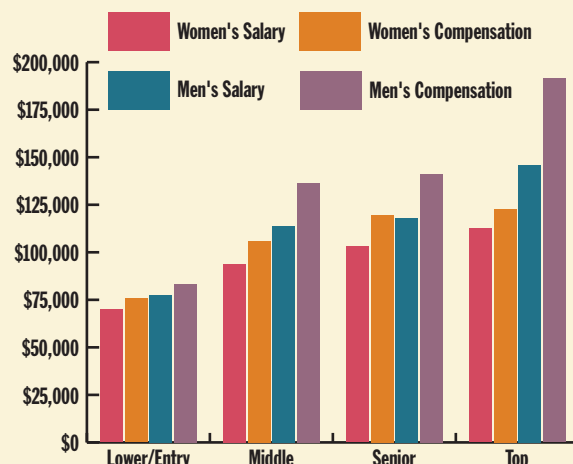
Women held steady in middle management at 32.6% for the second year while increasing in top management from 13.9% last year to 15.8% this year. There were fewer men and women respondents in senior management, with women dropping from 21% to 19.9% and men dropping from 20.7% to 18%. The entry level didn't change much. Women increased just 0.2% to 24.5%, and men decreased 0.6% to 13.2%.

The academic level remains small, and there were fewer men and women respondents for 2011: Women fell from 8.2% to 7.2%, and men fell from 6.2% to 4.5%. Many universities, especially ones funded by state taxes, have experienced budget cuts to areas like travel and professional support. Perhaps fewer academic members renewed their IMA memberships. Female professors have the potential to serve as a positive role model for young women considering various careers, so a decline in their ranks (even if just disappearing from professional associations) may be a negative sign for the future. The total number of academics responding to the survey this year was nearly the same by gender, with 30 female respondents and 37 male respondents.

Figure 5 presents the average salary and average total compensation by gender for each of the four management levels. Several changes have occurred in this data relative to last year, but one thing that hasn't changed is that average salary and average total compensation are less for the women than the men at each management level.

In the entry/lower level of management, women had gains of \$2,100 in salary and \$4,600 in total compensation. This follows last year's gains of \$2,500 and \$2,700, respectively. Entry-/lower-level men were similar this year, with \$2,800 more in salary and \$4,500 more in total compensation. This is an improvement over last year, when men increased only \$100 in salary and decreased

Figure 5: COMPENSATION BY MANAGEMENT LEVEL AND GENDER



\$2,000 in total compensation. The salary and compensation gaps for the entry/lower level stayed between 90% and 91% for the second straight year.

The middle-management level was better for men than for women. Women had a \$1,400 decrease in salary and a modest \$1,100 increase in total compensation. Men, however, increased \$2,500 in salary and \$6,500 in total compensation. The gap in both salary and compensation was 3% worse. The salary gap went to 83% from 86% in 2010, and the total compensation gap went to 77% from 80%.

The senior level rebounded for both men and women after a rough year in 2010. Salary was up \$2,500 for women and \$3,800 for men after falling last year by \$200 and \$4,000, respectively. Thus, senior-level women are ahead of men on salary over the past two years. For total compensation, women went up \$7,600, and men improved \$2,300. These increases approximately equal the respective decreases from last year of \$6,400 and \$2,800. Senior-level women are ahead of men over the past two years on total compensation as well. The salary gap worsened just 0.6% to 87.3%, while the total compensation gap improved by 4.1% to 84.7%.

The top level was mostly a reversal of 2010 as well, which isn't good news for men. They lost \$9,000 in salary vs. a \$5,400 increase last year and fell \$6,400 in total compensation vs. a \$10,300 increase last year. Women at the top level saw an increase in salary of \$6,600 after a drop of \$4,500 last year. For the second year in a row, however, women had a decline in total compensation. It declined \$1,300 this year after dropping \$5,400 last year. Thus, the salary gap is better at 77%, and the total compensation

Table 5: COMPENSATION AND SUPERVISORY RESPONSIBILITY

Category	WOMEN			MEN			ALL		
	Average Salary	Total Compensation		Average Salary	Total Compensation		Average Salary	Total Compensation	
1. No supervisory responsibility	\$ 77,865	\$ 84,322	[108]	\$ 91,797	\$ 99,754	[143]	\$ 85,803	\$ 93,140	[251]
2. Some supervisory responsibility but not head of a major department	\$ 90,389	\$ 99,992	[114]	\$105,682	\$128,905	[219]	\$100,447	\$119,007	[333]
3. Head of a major department but do not report directly to CEO/Board	\$105,963	\$124,714	[94]	\$129,451	\$166,220	[174]	\$121,213	\$151,562	[268]
4. Head of a major department and report directly to CEO/Board	\$104,454	\$114,122	[87]	\$138,510	\$171,901	[248]	\$129,666	\$156,941	[335]
5. Little or no supervisory responsibility and report to CEO/Board	\$ 69,199	\$ 74,053	[27]	\$ 84,924	\$ 92,756	[29]	\$ 77,342	\$ 83,739	[56]

Number of responses shown in brackets.

gap inched up from 63% to 64%. At the top level, this gap means men received \$33,500 more salary than women and \$68,400 more total compensation. This is much different from the senior and middle levels, where the difference in salary is \$15,000 to \$20,000 and total compensation differs \$21,000 to \$31,000.

As stated previously, fewer women than men possess a professional certification (64% vs. 74%). When certification is examined by management level, the percentage of women with certification is at least 3% less at all levels. The percentage of men who possess a professional certification increases with management level, going from 61% at entry/lower level to 73% at the middle and senior levels to 78% at the top level. This is the same pattern as last year. Women have a similar pattern this year, moving from 58% at the entry/lower level to 61% at the middle to 68% at the senior level and then a slight decrease to 66% at the top level.

Given the dollar significance of certification—as seen in the salary calculator at the end of this article—the percentage of certified women is especially notable at the entry/lower levels. The difference between the genders in certification at the entry/lower level was 11% in 2010 and 2009. This year, the gap is just 3%. We are encouraged that entry-/lower-level women have made steady progress in the percentage who are certified, growing from 52% in 2009 to 56% last year and 58% this year.

Table 5 presents compensation for women and men according to respondents' perceived level of supervisory responsibility. Consistent with the last two years, the highest average salary and total compensation for women is in supervisory category 3 (Head of a major department but do not report directly to CEO/Board). Men still report the highest salaries in supervisory category 4

(Head of a major department and report directly to CEO/Board), but the total compensation is actually a little higher for supervisory categories 3 and 5 (Little or no supervisory responsibility and report to CEO/Board).

Category 5 has a small number of respondents: 29 men and 27 women (compared to 32 men and 20 women last year). Last year, both groups saw significant increases of more than \$10,000 in salary and total compensation. This year is much worse, with salary and compensation falling more than \$18,000 for each category for both men and women. The salary gap is 81% this year vs. 72% last year. The total compensation gap is 80% this year vs. 57% last year. Given the small number of respondents, the big changes might be due more to the sample size than the economy.

For all five categories, the compensation of women respondents is less than that of men. Consistent with last year, women's compensation is closest to men's (as measured by women's compensation as a percentage of men's) in categories 1, 2, and 3 of Table 5. All percentages for average salary are 82% and above (85%, 86%, 82%, respectively). Last year, all were 84% and above. For average total compensation, all percentages are 75% and above this year (85%, 78%, 75%, respectively). Last year, all were 74% and above. Category 4 also is similar to last year, with salary at 75% and total compensation at 66% vs. 71% and 67% last year. Thus, for the four large categories, this year is very similar to last year on relative pay for supervisory responsibility.

A majority of the respondents have supervisory responsibility (categories 2, 3, and 4), and proportionately there are more men than women (79% vs. 69%) in these positions, which is a drop of 2% for women and a gain of 1% for men from last year. The spread was 10% in 2009 as well.

To summarize, we have examined a number of differences in the compensation of women and men:

- ◆ Compensation by age category (Figure 3).
- ◆ Compensation by “years in field” categories (Table 4).
- ◆ Compensation by management level (Figure 5).
- ◆ Compensation by supervisory responsibility (Table 5).

In all of these situations, the compensation of women is less than that of men, and these differences are statistically significant. Thus, there continues to be a “salary gap” between women and men.

Compensation and Certification

The 2011 respondents holding a professional certification—CMA (Certified Management Accountant), CPA (Certified Public Accountant), CFM (Certified Financial Manager), or both CMA and CPA—represent 71% of our sample. The differences in average salary and average total compensation between respondents who hold some form of certification and those without one have increased this year. The 2011 average salary of certified individuals was \$115,763, an increase of \$783 from last year’s \$114,980. The average salary of the 29% of respondents who don’t hold any of the certifications is \$92,639—a decrease from 2010 of \$4,072 (4%). On average, those with certification earn \$23,124 more than respondents who aren’t certified.

The average total compensation also differs between

those with and without certification. The average total compensation for those with a certification is \$139,338, which is \$33,411 more than for those without certification (\$105,927). Average total compensation increased by \$3,643 from 2010 (\$135,695) for certified respondents while decreasing by \$3,011 (2.8%) for those who aren’t certified.

The impact of certification on the average salary and average total compensation is illustrated in Table 6. The higher earnings for certified respondents holds true for all respondents and for each of the five age categories presented in the table.

Similar to the past five years, the average compensation tends to increase for each age category through the 40-49 group. Continuing a trend noted in 2010, the 2011 data show the “60 and over” group earning less in both average salary and average total compensation than the 50-59 group. This year the pattern extends across all certification categories.

For all five age categories, the average salaries and average total compensation for those with no CMA or CPA are less than those of their counterparts who are CMAs, CPAs, or both. Thus, the differential enjoyed as a result of obtaining professional certification follows individuals throughout their careers and affects their earning power. As in past years, the dollar amount of the “certification bonus” appears at the very beginning of respondents’

Table 6: COMPENSATION BY AGE AND CERTIFICATION

AVERAGE SALARY

Age Range		All		No CMA or CPA		CMA		CPA		Both CMA and CPA
19-29	[56]	\$ 65,016	[23]	\$ 55,767	[20]	\$ 68,560	[4]	\$ 58,625	[9]	\$ 83,620
30-39	[207]	\$ 93,692	[70]	\$ 85,171	[82]	\$ 95,125	[20]	\$ 91,425	[35]	\$108,674
40-49	[336]	\$113,288	[95]	\$ 95,906	[123]	\$115,998	[43]	\$114,509	[75]	\$130,160
50-59	[367]	\$120,279	[93]	\$ 101,097	[126]	\$122,009	[59]	\$142,163	[89]	\$123,366
60 and over	[124]	\$103,880	[40]	\$ 92,636	[26]	\$100,474	[33]	\$118,531	[25]	\$106,508
All	[1,090]	\$108,370	[321]	\$ 91,751	[377]	\$109,880	[159]	\$121,296	[233]	\$120,002

AVERAGE TOTAL COMPENSATION

19-29	[56]	\$ 73,537	[23]	\$ 61,390	[20]	\$ 79,841	[4]	\$ 62,375	[9]	\$ 95,529
30-39	[207]	\$110,750	[70]	\$ 97,839	[82]	\$109,627	[20]	\$ 99,981	[35]	\$145,360
40-49	[338]	\$139,260	[95]	\$110,267	[124]	\$140,326	[43]	\$136,472	[76]	\$175,339
50-59	[368]	\$142,762	[93]	\$114,427	[127]	\$146,872	[59]	\$178,369	[89]	\$142,899
60 and over	[124]	\$117,365	[40]	\$ 99,830	[26]	\$117,105	[33]	\$137,184	[25]	\$119,528
All	[1,093]	\$129,188	[321]	\$103,960	[379]	\$131,093	[159]	\$145,712	[234]	\$149,484

Number of responses shown in brackets.

careers and increases with age. Certified individuals who are 19-29 earn \$15,696 more in salary and \$20,612 more in total compensation than their noncertified peers. In 2011, this salary differential peaks with the 50-59 age group, where certified individuals earn \$25,693 more than those who aren't certified. Interestingly, the average total compensation differential peaks with the 40-49 age group with a difference of \$40,328, roughly \$3,500 more than the average total compensation differential for the 50-59 age group.

Table 6 also allows us to rank the impact that certification (CMA, CPA, or both) has on average salary and on average total compensation. The “double bonus” of the CMA/CPA dual certification continues to appear in the data and is still a variable in the salary calculator at the end of this article. This year the dual certification earns the younger sets (19-29, 30-39, and 40-49) the largest salary and total compensation. For the two oldest age groups, the CPA alone has the advantage.

Only nine of the respondents in the 19-29 group hold both a CMA and a CPA this year. Their average salary of \$83,620 is significantly more than that of their peers, demonstrating the value the market places on dual certification early in a person's career. (The next closest in that group are the CMAs, who have an average salary of \$68,560.) In 2011, the monetary advantage of the dual certification is largest among the 40-49 age group, with an average salary of \$130,160 and an average total compensation of \$175,339.

When comparing the CMA and CPA, the CMA, on average, earns a higher salary and greater total compensation for the first three age groups. The difference is most profound in the youngest category and shrinks with each successive group. The two certifications are very close in earnings potential in the 40-49 age group, and then the CPA pulls ahead in the two oldest groups.

We advise readers to be cautious in their conclusions. Across the seven years that we've reported this data, there has been a good amount of variability. It's critical to remember that the CMA and CPA represent different skill sets and that in any given year the market may demand more or less of that skill set. The dual-certification holder would presumably have a wider range of skills. This may be particularly important in the earlier years of someone's career.

Only 8% (90) of our 2011 respondents are CFMs, and 71% of those respondents are 40-59 years old. Including these responses in Table 6, especially when broken down by the other variables analyzed in the table, would poten-

tially compromise individuals' confidentiality. The average salary and average total compensation of those with the CFM are \$124,330 and \$164,239, respectively, which, compared to 2010, is a \$5,053 increase in average salary and a \$16,711 increase in average total compensation. Across time, CFMs report average salaries and average total compensation that are significantly greater than the respective figures for those with the CMA, CPA, or both CMA and CPA.

Compensation and Degrees

IMA members tend to be well educated, as reflected in the demographic statistics in Table 2 and the fact that persons sitting for the CMA examination must have a college degree. Table 7 shows the number of respondents at the various educational levels as well as the average compensation for each of these four categories. As in the past, average compensation usually increases with degree level.

Compared to 2010, respondents who have no degree (1.1% of 2011 respondents) saw substantial decreases of \$32,394 in average salary and \$48,859 in average total compensation. The number of respondents in the “no degree” category is very small, so these results should be interpreted with caution.

Those with doctorates (3.4% of respondents) earned \$135,421 in 2011, the largest amount earned by any educational category. The doctorate category also had the largest increases from 2010 in average salary (\$15,620) and average total compensation (\$8,869). The average salary of respondents with doctorates increased \$30,021 over the last two years, more than making up for the decrease of \$13,650 in 2009. Similarly, the 2009 decrease of \$31,200 in average total compensation has been completely reversed over the 2010-2011 time period (increases of \$25,836 and \$8,869 in 2010 and 2011, respectively). As in the past, the average total compensation amounts by degree are statistically significant in 2011.

The average salary for those holding a baccalaureate

Table 7: COMPENSATION BY HIGHEST DEGREE OBTAINED

Highest Degree	Average Salary	Average Total Compensation	
Less than baccalaureate	\$ 73,804	\$ 81,006	[14]
Baccalaureate	\$100,052	\$116,255	[579]
Master's	\$116,332	\$142,037	[619]
Doctorate	\$135,421	\$144,961	[43]

Number of responses shown in brackets.

degree dropped by \$1,112, a 1% decrease from 2010. Those with a master's degree enjoyed a slight (0.3%) increase of \$436 in average salary. Both groups reported an increase in average total compensation: a 1.7% increase for baccalaureates and a 0.3% increase for master's degrees. None of these changes in 2011 from 2010 is considered statistically significant.

Compensation by Organization Structure

As in prior years, we compare average salary by two size factors—number of employees at one location (referred to as “location”) and number of people employed by the entire organization (referred to as “organization”). These comparisons of average salary by location and organization size are presented in Table 8. Consistent with last year, the largest average salary for both the location and organization factors is for respondents at organizations with 5,000-plus people. There hasn't been a clear pattern for average salary and size factors by either location or organization over the years. Last year, the differences across the size categories were fairly small, with the spread between the highest and lowest salary only \$14,000 by location and less than \$8,000 by organization. This year the differences are much larger—\$38,000 by location and \$27,000 by organization. The differences in 2009 were \$23,000 and \$18,000, respectively.

Last year, the respondents from the three smallest locations and organizations (fewer than 100 employees) reported increases of at least 4% and at least \$4,000. This year, the two smallest locations and organizations (fewer than 25 employees) had decreases of nearly 10% and at least \$9,000. Only three categories had gains of at least 5% (1,000-2,499 by location and more than 5,000 by both location and organization).

Average compensation by industry using SIC codes is provided in Table 9. The largest contingent of IMA members works in manufacturing (35%), where the average salary and average total compensation ranked fifth and third, respectively. These ranks are similar to 2009 and 2008 and are a big improvement from last year's finish of 10th and eighth. The next-largest contingent works in the service industry (28%), which ranks seventh in salary and 10th in total compensation. The services industry has fallen the last two years—it was sixth in salary and seventh in total compensation two years ago. Note

Table 8: SALARY BY LOCATION AND ORGANIZATION SIZE

Number of People	Employed at Location Average Salary	Employed in Entire Organization Average Salary
1 to 9	\$ 98,866 [83]	\$ 91,944 [52]
10 to 24	\$ 96,289 [100]	\$ 90,591 [38]
25 to 99	\$103,572 [273]	\$101,661 [174]
100 to 499	\$108,748 [393]	\$106,551 [244]
500 to 999	\$106,465 [153]	\$113,686 [115]
1,000 to 2,499	\$122,226 [123]	\$112,905 [121]
2,500 to 4,999	\$117,682 [50]	\$ 99,313 [90]
5,000 plus	\$133,978 [77]	\$117,323 [417]

Number of responses shown in brackets.

that public accounting is part of the services industry, and it ranks third in terms of average salary and sixth in average total compensation. This is a big drop from the prior two years, where it was first in average salary and second in average total compensation. The third-largest group (12%) is finance, insurance, and real estate, and the averages for respondents in that group ranked eighth in salary and second in total compensation. This is a drop in salary by six spots but a one-spot increase in total compensation.

Prior to last year, average salary increased for most SIC areas and fell for two to four areas. Last year, salary fell

Table 9: COMPENSATION BY SIC AREA

SIC	Average Salary	Average Total Compensation
Agriculture, Forestry, Fisheries	\$102,588	\$128,066 [16]
Mining	\$122,158	\$158,058 [12]
Contract Construction	\$ 94,300	\$104,957 [22]
Manufacturing	\$112,935	\$138,312 [476]
Transportation, Communications, and Utility Services	\$ 99,141	\$115,749 [65]
Wholesale and Retail Trade	\$104,616	\$129,423 [107]
Finance, Insurance, and Real Estate	\$105,699	\$139,237 [116]
Services (all)	\$110,659	\$122,970 [329]
Medical/Health services	\$112,276	\$130,210 [66]
Educational services	\$ 98,786	\$104,226 [97]
Public Accounting	\$117,524	\$130,448 [44]
Other service SIC codes	\$115,974	\$130,565 [125]
Government	\$ 86,888	\$ 89,635 [64]
Nonclassifiable	\$120,553	\$132,475 [44]

Number of responses shown in brackets.

Table 10: COMPENSATION AND BUSINESS STRUCTURE

	Average Salary	Average Total Compensation	
Proprietorship	\$105,778	\$106,889	[18]
Partnership	\$113,630	\$142,033	[55]
Subchapter S Corporation	\$103,759	\$128,762	[163]
Family-Owned Corporation	\$ 98,479	\$110,636	[80]
Privately Held Corporation	\$108,287	\$122,470	[385]
Publicly Traded Corporation	\$116,084	\$146,271	[431]

Number of responses shown in brackets.

for five SIC areas, though only one of them fell more than \$3,000. This year saw only seven areas increasing and seven decreasing. Of more concern, six of the seven areas that fell declined by more than \$5,000 (contract construction; transportation, communications, and utility services; wholesale and retail trade; finance, insurance, and real estate; public accounting; and government). Among the bigger losers over the past five years have been government (falling four of five years), finance, insurance, and real estate (falling three of the past four years), and contract construction (falling the last two years).

Table 10 presents compensation by business structure. Similar to SIC codes, there are fairly dramatic shifts. Last year, four of the business structures had a change of at least 10%. This year, three of the structures had a change of at least 10%, and five of the six changed at least 5%. Last year, the difference in total compensation between the highest (partnership, at just over \$150,000) and the lowest (proprietorship, at just under \$95,000) structure was more than \$55,000. This year, the difference between the highest (publicly traded corporation, at just over \$146,000) and the lowest (proprietorship, at just under \$107,000) is just under \$40,000.

As in the past, the majority of respondents work in either publicly traded (38%) or privately held corporations (34%). Last year, it was 40% public and 33% private. The relative distribution among these six categories has been stable over time. There has been no more than a 2% change in any category in the last three years.

Except for last year, the two highest-paid structures have been publicly traded corporations and partnerships (which includes those working in public accounting). Last year, respondents in Subchapter S corporations saw gains of more than \$10,000 in salary and more than

\$17,000 in total compensation to just squeak past respondents at publicly traded corporations as the second-highest group. This year, the Subchapter S corporation respondents had declines of more than \$10,000 in both salary and total compensation, and respondents from publicly traded corporations saw their averages increase more than \$2,000 in salary and \$8,000 in total compensation. Thus, once again, publicly traded corporations and partnerships are the highest-ranked groups.

After two straight years of declines of more than 10% in average salary, respondents in proprietorships saw an increase of 19% in average salary. Their average total compensation, which had declined 14% over the past two years, increased 11% this year. This puts their numbers close to where they were in 2009. Those in family-owned organizations saw declines of 7.6% in salary and 10.6% in total compensation last year. They have somewhat recovered this year with increases of 5.9% in salary and 2.5% in total compensation.

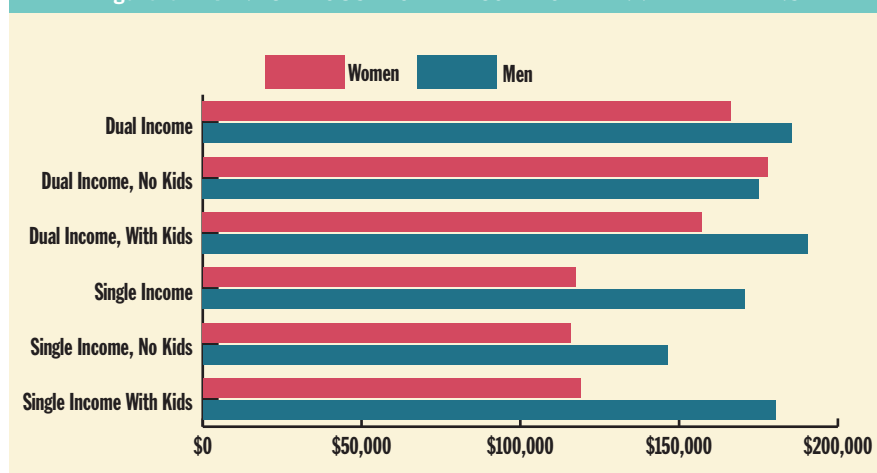
The difference in average household incomes between those with children and those without has widened this year.

Household Income

The average household income for all IMA member respondents—regardless of marital status—is \$158,565 in 2011, an increase of about \$2,700 from 2010's \$155,856. Female IMA members increased their average household income 2.5% to \$139,693 from \$136,281. Similarly, male IMA members' average household income increased 2.1% to \$168,505 from \$164,973. None of these year-to-year differences between 2011 and 2010 is statistically significant.

The household income for married respondents in 2011 is \$171,905, which represents a 3% increase from 2010. The household income of married men is greater than that of married women (\$178,751 vs. \$156,198). This difference is statistically significant this year, as it has been

Figure 6: AVERAGE HOUSEHOLD INCOME OF MARRIED MEMBERS



since 2006. The household income for women increased \$5,705, or 4%, from 2010, while men's household income increased \$5,359, or 3%. Neither of these 2011 changes in household income is statistically significant.

The household income for married respondents can be compared by three factors: gender, single- vs. dual-income households, and children vs. no children. The household income for dual-income married members is \$178,009, a decrease of \$540 from 2010. Note that the survey data doesn't distinguish which individual (IMA member or their partner) in the dual-income households experienced a salary decrease; rather, it simply looks at average household income. The household income for single-income married members is up \$10,320 from 2010 to \$161,870 this year. This difference in average household income for single-income vs. dual-income married members is statistically significant.

Each of these household-income measures (single vs. dual) can be examined by the gender of the IMA respondent. The average household income of single-income men is higher than that of single-income women (\$170,739 vs. \$117,383), a statistically significant difference. The average household income increased 5% for both single-income men and women (\$8,432 for men and \$5,527 for women) in 2011. In households where both partners work (dual-income households), the male respondents again report higher average household income than the female respondents (\$185,379 vs. \$166,338), also a statistically significant difference.

The effect of children in the household on average household income can also be examined. This year's responses indicate that single-income married members with children have an average household income of \$177,309; single-income married members with no chil-

dren have an income of \$138,076. Compared to 2010 results, these numbers increased \$23,419 and decreased \$9,389, respectively. The average household income reported by dual-income married members with children in 2011 was \$179,016; those without children reported an average income of \$176,372. The difference in average household incomes for those with children and those without has widened this year. Perhaps this is an indication of the pressure that breadwinners with children feel to

take whatever work is available, regardless of whether or not it comes with a cut in pay.

Figure 6 presents an analysis of all three variables at once: dual vs. single income, gender, and children. The results just discussed tell us that the average household income of married female respondents is less than that of male respondents, regardless of whether the household relies on a single income or dual income. The incontrovertible story presented in Figure 6 is that the average household income of female respondents is almost always less than that of their male counterparts. Women respondents are ahead—though almost imperceptibly so—only when they are part of a dual-income household where there are no children. These differences in household income for married women vs. married men in both single- and dual-income households and with and without children are statistically significant.

Compensation by Region, Responsibility, and Position

Table 11 presents the average salaries and standard deviations for the 50 states and Washington, D.C., grouped into seven geographical regions. For the second straight year, all seven regions have average salaries above \$100,000. The number of regions topping \$100,000 has been increasing since 2007, when there were only four. The Northeast region has the highest average salary, overtaking the Mid-Atlantic region, which had been the top for the two previous years. The Northeast region is also the only region to increase more than 1%—and it grew an amazing 21%.

Last year, only one region had a decrease. This year there are four, though all the decreases are 1%-3%. The regions that declined are Mid-Atlantic, South,

Table 11: AVERAGE SALARY BY STATE

	Average Salary	Standard Deviation	
Northeast Region	\$125,488	\$60,588	[62]
Connecticut	138,350	74,688	[10]
Maine	92,837	22,118	[7]
Massachusetts	134,097	63,641	[30]
New Hampshire	89,167	10,013	[6]
Rhode Island	108,706	30,383	[5]
Vermont	161,374	88,165	[4]
Mid-Atlantic Region	\$118,468	\$61,772	[235]
Delaware	145,000	42,426	[4]
Maryland	123,063	56,522	[14]
New Jersey	122,358	45,731	[30]
New York	124,246	73,365	[62]
Pennsylvania	115,838	65,172	[78]
Virginia	106,230	53,646	[36]
Washington, D.C.	125,064	41,144	[8]
West Virginia	101,100	47,655	[3]
South Region	\$105,001	\$46,099	[288]
Alabama	97,887	23,726	[15]
Arkansas	101,745	28,329	[11]
Florida	108,055	58,333	[39]
Georgia	118,713	46,659	[20]
Kentucky	91,324	25,045	[17]
Louisiana	106,740	32,072	[9]
Mississippi	85,618	8,733	[3]
North Carolina	103,331	43,452	[51]
South Carolina	91,654	30,703	[26]
Tennessee	117,334	61,992	[37]

Plains, and West Coast. The Midwest and Mountain each had 1% increases. All of the states in the Northeast reported an increase, while all of the other regions have some states with increases and others with decreases. The South had eight states with declines, though those were mostly offset by an almost \$6,000 increase for respondents in Florida and almost \$25,000 increase for those in Tennessee. In the Plains region, only Texas had a decline. And in the West Coast, only California went backwards. But given the larger number of respondents in these two states, their influence was enough to make their respective regions see an overall decline. The Midwest, Mountain, and Mid-Atlantic regions had roughly equal numbers of states increase and decrease.

Tables 12 and 13 present compensation data that's

	Average Salary	Standard Deviation	
Midwest Region	\$103,176	\$45,216	[394]
Illinois	119,694	54,351	[58]
Indiana	106,136	46,873	[38]
Iowa	97,922	46,277	[26]
Michigan	97,140	37,152	[65]
Minnesota	102,824	43,746	[50]
Missouri	94,922	42,746	[21]
Ohio	102,824	43,478	[85]
Wisconsin	97,357	44,807	[51]
Plains Region	\$104,887	\$67,163	[93]
Kansas	97,442	67,056	[10]
Nebraska	95,340	36,872	[7]
North Dakota	168,807	241,881	[5]
Oklahoma	115,667	44,858	[9]
South Dakota	*	*	*
Texas	100,445	41,198	[62]
Mountain Region	\$105,302	\$38,999	[89]
Arizona	93,871	35,154	[21]
Colorado	113,016	41,449	[31]
Idaho	109,238	30,940	[8]
Montana	*	*	*
Nevada	103,250	54,021	[4]
New Mexico	*	*	*
Utah	103,590	39,773	[19]
Wyoming	*	*	*
West Coast Region	\$114,001	\$55,698	[154]
Alaska	124,000	21,602	[4]
California	113,924	51,712	[86]
Hawaii	*	*	*
Oregon	109,405	53,707	[23]
Washington	115,763	67,357	[41]

*Number of responses shown in brackets.

*Data not reported to protect confidentiality.

dependent on the respondents' interpretations of where their specific job titles fall within the responsibility areas and management levels in their own organizations. Please remember that classifying job titles is always difficult because the duties and responsibilities—and where in the hierarchy of the organization they fall—vary from organization to organization.

Table 12 presents the compensation of respondents according to their classification of the responsibility area in which they work (the responsibility areas are ranked

Table 13: COMPENSATION BY POSITION

	Average Salary	Average Total Compensation	
Top-Level Management	\$138,320	\$ 175,728	[287]
Group President	*	*	*
Executive Vice President	226,375	7,257,875	[8]
Partner	178,875	212,194	[6]
Corporate Treasurer	163,620	248,406	[7]
Senior Vice President	152,095	233,802	[14]
Chief Financial Officer	132,763	163,875	[201]
President	129,148	147,379	[6]
Owner	124,744	149,400	[31]
Chief Executive Officer	114,849	136,149	[9]
Principal	113,333	409,898	[3]
Senior Management	\$112,694	\$ 133,578	[231]
Group Vice President	*	*	*
Assistant Vice President	*	*	*
Vice President	153,031	202,577	[50]
Divisional Vice President	141,000	168,250	[4]
Corporate Controller	101,061	114,623	[159]
Consultant	99,190	103,886	[17]

	Average Salary	Average Total Compensation	
Middle Management	\$107,741	\$127,112	[443]
General Supervisor	*	*	*
Director	133,735	165,138	[94]
General Manager	126,300	137,650	[15]
Divisional Controller	113,816	141,750	[73]
Manager	101,965	117,922	[131]
Plant Controller	97,227	110,326	[68]
Assist. Corporate Controller	83,107	88,302	[27]
Supervisor	81,590	87,699	[18]
Chief Accountant	73,507	82,921	[16]
Lower Management/Entry Level	\$ 73,828	\$ 78,298	[210]
Financial Analyst	83,081	88,350	[88]
Auditor	80,750	85,764	[14]
Systems Analyst	77,328	86,648	[5]
Senior Accountant	71,299	75,364	[63]
Staff Accountant	52,506	56,604	[39]
Academic Positions	\$ 97,223	\$103,460	[67]
Dean	139,833	139,833	[3]
Professor	122,648	128,599	[16]
Department Chair	100,441	115,220	[8]
Associate Professor	95,908	98,317	[11]
Assistant Professor	88,840	99,435	[13]
Administrator	86,001	89,701	[6]
Instructor	60,264	62,064	[10]
Other	\$ 77,578	\$ 81,566	[17]

Number of responses shown in brackets.

*Data not reported to protect confidentiality.

Table 12: COMPENSATION BY RESPONSIBILITY AREA

	Average Salary	Average Total Compensation	
General Management	\$133,148	\$172,980	[167]
Finance	\$126,016	\$157,458	[224]
Information Systems	\$122,531	\$140,586	[22]
Public Accounting	\$121,345	\$135,485	[32]
Internal Auditing	\$114,936	\$133,469	[17]
Corporate Accounting	\$104,588	\$123,198	[315]
Budgeting and Planning	\$103,977	\$119,023	[65]
Risk Management	*	*	*
Personnel Accounting	*	*	*
Education	\$101,241	\$107,296	[67]
Cost Accounting	\$ 97,343	\$108,028	[81]
Taxation	\$ 92,422	\$115,761	[18]
Government Accounting	\$ 90,295	\$ 92,609	[47]
General Accounting	\$ 84,416	\$ 95,063	[179]

Number of responses shown in brackets.

*Data not reported to protect confidentiality.

from highest to lowest according to average total compensation). The top and bottom areas have been fairly consistent over the past several years, though the respondents in public accounting and taxation both fell this year by more than \$18,000 in salary and more than \$27,000 in

total compensation. General management returned to the top spot it held for five years before coming in second place to public accounting last year.

For more than 10 years, the three lowest-ranking responsibility areas were government accounting, cost accounting, and general accounting. Cost accounting and general accounting are often considered entry-/lower-level management responsibility areas. After seeing gains last year, both government and general accounting respondents saw declines in salary of \$700 and almost \$6,000, respectively. This year, cost accounting finished outside the bottom three, ahead of taxation. This is partly because of the increase in average salary of more than \$12,000 compared to last year along with the \$29,000 decline in average salary for respondents in taxation.

Last year, only two responsibility areas experienced salary declines: cost accounting and general management.

This year, seven of the 14 areas, or 50%, saw declines. The biggest declines, in order, were taxation, public accounting, and risk management, which declined more than \$15,000 in salary. General accounting fell almost \$6,000, and the other three areas (corporate accounting, budgeting and planning, and government) saw declines of less than \$3,000.

Table 13 presents compensation by job title divided into four management levels, academia, and “other.” Consistent with prior years, compensation increases by rank for each of the four management levels, and the differential between average salary and average total compensation also increases by rank from lower/entry level to top management. Both top management and academic positions saw declines, with top management falling 4.8% in salary and 4.1% in total compensation. Academic positions fell 1.3% in salary and 5.2% in total compensation. The other three groups saw modest salary increases of 1.3%-3.3% and total compensation increases of 2.3%-3.9%.

Women have been willing to take a larger reduction in hours/compensation than men.

Alternative Career Paths

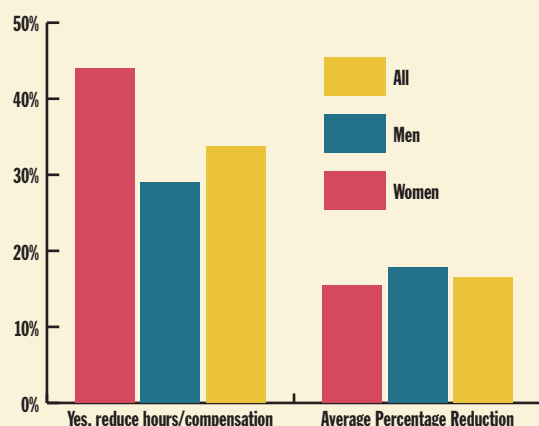
Three aspects of career paths have been examined over the years:

- ◆ Willingness to have a reduction in hours worked with a proportional reduction in compensation.
- ◆ A career path allowing more flexible (rigid) commitments resulting in slower (faster) career advancement.
- ◆ The number and length of any career interruptions.

These have been examined from the standpoint of all respondents, by gender, and by other variables, as appropriate.

The proportion of respondents interested in reducing their hours while taking a corresponding reduction in compensation is presented in Figure 7. The first bar graph reflects that this is an important feature for 34% of the sample population. This is lower than last year’s 36% and is the same as 2009. Thirty-four percent is the lowest

Figure 7: REDUCE HOURS AND COMPENSATION



since 1996. Historically, the range has been 34%-45%. As in the past, more women than men are interested in this option (43% vs. 29%), a 1% increase for women but a 4% decrease for men. Historically, the range of women’s responses has been 43%-60%, and that of men’s responses has been 30%-44%.

The second bar graph in Figure 7 reflects the mean reduction in hours/compensation that the respondents would be willing to accept. For men, it’s 15.5%. For women, it’s 17.8%. With the exception of 2009, when the percentages were a virtual tie, women have been willing to take a larger reduction in hours/compensation than men. The 2011 mean reduction for men is within the range experienced in the past (14%-15.8%). The women’s percentage is back to the low end of the range of 17.8%-19.5%.

Average Salary Profile

Table 14 provides a composite view of average salary across four variables: education level, certification, management level, and gender. This will enable you to make comparisons to others with whom you may share these characteristics. Up to 40 comparisons could be possible using these four variables, but there are three cells in which data isn’t displayed to protect confidentiality where the number of observations is small, so there are only 37 possible comparisons available this year.

If individuals share the same demographic characteristics, then you would expect them to have the approximate “same average salary.” The table doesn’t show other factors that may influence salary, such as years of experience or size of the organization, so readers or respondents with large variation on these items may have different expectations.

Table 14: AVERAGE SALARY BY MANAGEMENT LEVEL, CERTIFICATION, EDUCATION, AND GENDER

	TOP MANAGEMENT				SENIOR MANAGEMENT			
	Women		Men		Women		Men	
Baccalaureate	\$113,626	[31]	\$141,652	[95]	\$ 95,447	[43]	\$104,427	[63]
No CMA or CPA	106,454	[13]	116,283	[21]	85,342	[13]	97,651	[22]
CMA	115,600	[5]	135,694	[25]	87,741	[14]	109,757	[15]
CPA	119,028	[9]	152,123	[30]	104,057	[7]	116,748	[15]
Both CMA and CPA	122,313	[4]	160,998	[19]	115,333	[9]	93,913	[11]
Master's	\$113,645	[30]	\$151,070	[109]	\$113,430	[37]	\$128,402	[79]
No CMA or CPA	96,781	[8]	128,217	[24]	103,391	[13]	112,531	[16]
CMA	128,500	[12]	157,230	[37]	120,588	[14]	127,071	[28]
CPA	*	*	169,394	[17]	108,833	[6]	132,388	[11]
Both CMA and CPA	109,638	[8]	151,361	[31]	127,900	[4]	138,708	[24]

	MIDDLE MANAGEMENT				ENTRY-LEVEL MANAGEMENT			
	Women		Men		Women		Men	
Baccalaureate	\$ 90,762	[65]	\$105,772	[134]	\$ 66,909	[66]	\$ 67,550	[55]
No CMA or CPA	71,924	[24]	102,085	[35]	59,195	[33]	61,364	[29]
CMA	98,034	[25]	100,528	[54]	71,863	[23]	73,561	[17]
CPA	114,627	[9]	118,780	[13]	93,089	[4]	62,000	[1]
Both CMA and CPA	86,683	[7]	105,772	[31]	72,897	[6]	77,891	[8]
Master's	\$ 97,562	[58]	\$120,079	[159]	\$ 78,273	[32]	\$ 87,314	[47]
No CMA or CPA	94,033	[24]	110,636	[39]	68,780	[8]	76,491	[11]
CMA	101,319	[20]	122,980	[73]	82,749	[12]	97,212	[22]
CPA	94,707	[5]	119,888	[14]	74,133	[3]	68,583	[6]
Both CMA and CPA	100,209	[9]	124,902	[33]	82,123	[9]	89,025	[8]

Number of responses shown in brackets.

*Data not reported to protect confidentiality.

Management Level and Gender. Consistent with the last two years, the average salary for men is higher than that for women in comparable levels of management and with comparable credentials. There are two exceptions: Women make more than men in entry-level management when they possess a master's degree and a CPA (\$74,133 for women vs. \$68,583 for men) and in senior management with a baccalaureate and both a CMA and CPA (\$115,333 for women vs. \$93,913 for men).

Baccalaureate vs. Master's Degree. Table 14 contains only two degrees, baccalaureate degree and master's degree. This year, 99% of our respondents have earned a baccalaureate degree, and 53% have earned a master's degree. All else being equal, you might expect those with a master's degree to have a higher average salary than those with a baccalaureate degree. There are a few exceptions this year:

◆ For top management, individuals with a baccalaureate

degree and dual certification, regardless of gender, make more than their counterparts with a master's degree and dual certification.

◆ Also for top management, women with a baccalaureate degree and either a CPA or no certification make more than women with a master's degree and a comparable certification.

◆ In entry-level management, women with a baccalaureate degree and a CPA make more than their counterparts with a master's degree.

What About Ethics?

Ethics has taken center stage in many discussions since the passage of the Sarbanes-Oxley Act of 2002 (SOX). Ethics topics persisted in discussions about the causes of the great recession, though there didn't appear to be a dramatic event or movement in 2011 that reignited concerns or focus on management accounting ethics. The ethics questions in our survey focus on two areas: (1) respon-

dent's familiarity with the *IMA Statement of Ethical Professional Practice* and (2) presence of a code of ethics in the respondent's place of business. Overall, the responses show no differences from those received in 2010.

Responses to our questions regarding familiarity with the *IMA Statement* on ethical standards remained constant: 94% of all respondents indicated familiarity with the *Statement*. More CMAs (99%) were familiar with the *Statement* than those without a CMA (89%). Awareness across ownership structures exceeded 90% except partnerships, where 85% of respondents were aware of the *Statement*.

The percentage of respondents indicating that their employer has a written code of ethics increased from 77%

The prevalence of a code of ethics increases with the size of the organization.

last year to 80% this year. SOX Section 406 requires public companies to disclose in their filings with the SEC whether or not they have adopted a code of ethics for senior financial officers. When a code of ethics hasn't been adopted, the company must state why. Most companies that didn't have a code of ethics adopted one shortly after the passage of SOX in 2002 if for no other reason than to avoid the embarrassment of having to explain why they hadn't done so. Thus, the stability of these numbers isn't surprising.

The prevalence of a code of ethics increases with the size of the organization. When there are fewer than 100 employees per location or fewer than 500 employees in the total organization, codes of ethics are in place 50%-66% of the time. Comparatively, codes of ethics are reported by 80%-100% of the respondents at larger organizations. There is some variability by SIC code. Less than 70% of respondents in agriculture, construction, and wholesale/retail trade reported that their company has a written code of ethics, and less than 80% of those in government reported the same. For all the other areas, the percentages were above 80%.

When we examine the data by business structure, we

find that more than 90% of those working for publicly traded or privately held corporations indicate their employers have a written code of ethics. Significantly fewer respondents in other types of organizations reported a code of ethics: 67% of those in partnerships and single proprietorships, and 51% of those from family-owned businesses and Subchapter S corporations reported having a written code of ethics. These results are consistent with prior years.

What Does Recovery Feel Like?

Last year we noted that the economic recovery was incomplete and that we couldn't yet know the ultimate winners and losers. That same observation seems appropriate this year, as the results remain mixed across the many categories. Some bright areas include an increase in the number of members who individually reported getting a raise, an increase in the number of younger members who are certified, and the ongoing consistency that salaries increase with experience, certification, and graduate degrees. In spite of turmoil in the economy and around the world, the basic recipe seems to remain the same if an IMA member wants to improve his or her salary.

In addition, women continue to earn less than men. But women generally held their own in that (1) the relative position between men and women didn't change this year and (2) the recovery doesn't seem to have impacted women and men in substantially different ways. Perhaps this is very important because it has been argued in some places in the media that the recession has hurt women more than men and that women are recovering more slowly. We see many signs of the recovery helping some groups and failing to help others, but, among IMA member respondents, women don't appear to systematically be one of these winning or losing groups.

Yet there are still areas of concern. We saw the first overall decrease in salary, as well as decreases within various categories. While the average total compensation went up slightly, the average salary was lower than in the 2010 survey. Analysis of the data by category, such as industry (Table 9), region (Table 11), and responsibility area (Table 12), reveals that more subgroups had declines than in the recent past. There also continues to be evidence that the recovery is impacting the age groups differently.

The idea that recovery "feels" unpleasant, like recovering from surgery, suggests a new way of looking at the impacts of the recent economic and political events. IMA

Table 15: ESTIMATING A SALARY LEVEL FOR IMA MEMBERS

Calculating an Average Salary

Introduced in 1989, perhaps the favorite feature of the annual IMA Salary Survey has been the ability to calculate your personal average salary. This feature employs some of the significant demographic variables provided by our survey participants. Although not included in 1989, gender differences were captured beginning in 1990 by including a separate column for men and women. For the fifth straight year, we present one calculation regardless of gender. This year the calculator explains 21% of the variability, down from 23% in 2010 and 28% in 2009. This percentage-of-variability explanation is within the range that we have had in prior years. The regression values are presented in Table 15 and are derived from the values reported by IMA members for 2011. The “average salary” calculated using this feature should *not* be used to justify a salary—it’s simply an attempt to give a member a “picture” of what his or her salary might be using the data collected from our survey.

The total of the starting base figure and the additional values should provide you with an estimate of your personal “average salary” from the 2011 data. To calculate your “personal average salary,” start with the base salary

Your Calculation

Start with this base figure		\$75,807
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If you are TOP-level management	ADD	28,000
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OR

If you are ENTRY-level management	SUBTRACT	25,995
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Number of years in the field _____	TIMES	700
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If you have an advanced degree	ADD	13,873
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If you hold the CMA	ADD	11,126
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If you hold the CPA	ADD	10,193
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Your Estimated Salary Level

in the table (\$75,807), which is \$338 higher than our starting point last year. Then you should add or subtract each of the variables to reflect your status. For instance, you would:

◆ Add \$28,000 for being in either top or senior management or subtract \$25,995 if you are in entry-level management.

◆ Add the product of the number of your years in the field times the factor of \$700.

◆ Add \$13,873 for an advanced degree, \$11,126 for a CMA, and/or \$10,193 for a CPA (this means you may add none, one, two, or all three premiums).

members continue to receive salaries that are higher than those of the average American, and those salaries are well-correlated with measures of skill and effort, such as advanced degrees, years of experience, and certification. And even though average salaries are down relative to the respondents from last year, the salaries of respondents are up relative to their own prior year. How this recovery feels to a particular person likely depends on their own situation, but overall the results are very mixed. **SF**

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1 Results of the IMA annual salary survey were first reported in the May 1990 issue of *Management Accounting* and then in the June issue from 1991 through 1998. From 1999 through today, they have been reported in the June issue of *Strategic Finance*.