

IMA 2009 SALARY SURVEY

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During 2008, the United States witnessed an historic election, the collapse of its credit markets, and an unprecedented level of government intervention (including the bailout of General Motors and AIG and the \$700 billion stimulus package). As the “Great Recession” continued into 2009, people were waiting—waiting to see how the combination of frozen credit markets and

the bailouts would impact the economy—waiting for the signs of recovery. Economic indicators showed a plummeting stock market, unemployment exceeded 10%, average hours worked declined to the lowest level since the 1960s, and many people delayed their plans to retire. So how did these difficult economic times affect members of the Institute of Management Accountants (IMA®)?

How Did We Conduct the Survey?

In early December 2009 the survey was mailed to a random sample of 5,122 IMA members. The sample was designed to represent the membership of IMA in the United States geographically. A follow-up survey was sent in January 2010 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 1,653 questionnaires was returned, yielding an overall response rate of 32%. Of this number, there were 1,549 usable questionnaires representing 30% of persons surveyed. Among the 1,653 surveys received, 33, or 2% of all respondents, reported being unemployed. 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.

The historical response rates have fallen slightly over the past decade from 41%/38% total/usable responses in 1999 to this year's 32%/30%. The lowest response rate in the past 10 years was 30%/28% in 2004. Thus this year is on the low end but still within the relevant range.

The results of our 2009 salary survey indicate many impacts, including three particularly interesting ones:

1. The Certified Management Accountant (CMA®) credential continues to be a strong signal of professionalism and competence, leading to higher salaries for all respondents, especially for women with baccalaureate degrees.

2. Average salary and average total compensation are flat for both men and women respondents, with little change in relative position between genders.

3. This year's data shows a dramatic increase in respondents' awareness of the *IMA Statement of Ethical Professional Practice*.

The average salary of members responding to IMA's 21st Annual Salary Survey increased 1.7% to \$105,850, and average total compensation increased 1% to \$123,357.¹ For the second year in a row, neither increase is statistically significant. The percentage increase in total salary is greater than the percentage increase in total compensation for the third consecutive year, suggesting a trend away from compensating IMA member respondents with bonus and profit plan incentives.

Only 46% of this year's respondents reported receiving salary increases in 2009, which is a huge decrease from 71% in the 2008 survey and 74% in both the 2007 and 2006 surveys. Yet the average amount of the increase was almost identical to the increases reported for 2008 (\$5,717 vs. \$5,706).

The univariate statistics for the five most recent salary surveys (2005-2009) are shown in Table 1. Average salary and average total compensation increased at all levels except for the median total compensation, which fell \$1,625. None of the changes is statistically significant. Of note, the lowest end of the salary range has stayed the same at about \$20,000 for the last four years. We only include respondents who work full-time, so there continues to be a small number of IMA members with fairly low salaries.

Demographic information regarding the "average" IMA member is shown in Table 2. We'll use these demographics to make comparisons between this year's compensation

Table 1: COMPARISON OF UNIVARIATE STATISTICS FOR 2005-2009

Years	Range	Mean	Median	20th percentile	80th percentile
Average Salary					
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
2006	\$20,000 to \$375,000	\$ 95,268	\$ 86,831	\$65,000	\$120,000
2005	\$10,000 to \$640,000	\$ 92,746	\$ 84,550	\$60,500	\$116,450
Average Total Compensation					
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
2006	\$20,000 to \$865,000	\$113,965	\$ 95,000	\$68,335	\$142,000
2005	\$23,000 to \$677,400	\$108,030	\$ 91,823	\$63,715	\$136,500

figures and those of the prior 20 years to provide insight, identify changes, and track trends regarding the compensation of the IMA membership.² These demographics of the respondents have been relatively stable over the years, and here are a few highlights for 2009:

- ◆ The median age is 48, the same as in 2008. The medi-

Table 2: "AVERAGE" IMA MEMBER

	2009	2008	2007	2006	2005
Median age	48	48	46	46	45
Female	34%	34%	32%	33%	36%
Male	66%	66%	68%	67%	64%
Degrees					
Baccalaureate	99%	99%	99%	99%	99%
Advanced	53%	51%	50%	49%	47%
Years of experience					
Current position	6	5	5	6	5
Current employer	10	9	9	9	9
In field	20	20	19	19	18
Family status					
Married	81%	80%	83%	81%	80%
Spouse employed outside home	64%	65%	65%	65%	67%
Percent with children	65%	58%	59%	59%	58%
Average number of children	1.3	1.2	1.2	1.2	1.3
Certification percentages					
Any certification	70%	69%	68%	67%	66%
CMA	54%	50%	48%	48%	45%
CPA	36%	36%	36%	37%	36%
CFM	9%	11%	9%	9%	8%

Table 3: SOURCES OF ADDITIONAL COMPENSATION

Sources	Number	Percentage
Bonus	670	62%
Profit sharing	190	18%
Other	60	6%
Stock options	44	4%
Overload/Summer school teaching/ Research	25	2%
Overtime	25	2%
Retirement match/contribution	24	2%
Incentive compensation/awards	21	2%
Auto allowance	19	2%
	1,078	100%

Percents are rounded.

an age has increased steadily since 2005 when it was 45.

- ◆ The proportion of female respondents appears to have leveled for the last five years at one-third of the respondents although it did rise in the prior five years from 30% back in 1999.
- ◆ 53% of the respondents have an advanced degree, which has increased every year since 2005 when it was 47%.
- ◆ While average number of years in the field remains 20, both years in current position and years with current employer increased one year each, suggesting less mobility during the recession.
- ◆ The percentage of respondents with children jumped 7% to 65% after having staying around 58%-59% for the last four years. It was 64% in 2004, so this seems at the high end of the historical ranges.
- ◆ Member respondents holding at least one certification increased (by 1%) for the fifth consecutive year to 70%. This is the highest level ever reported.
- ◆ With respect to certification, the number of respondents with a CMA increased 4% from last year, an increase of 9% from five years ago, an increase of 18% from 10 years ago, and an increase of 47% from 21 years ago when the survey started. This is also the highest level ever reported.
- ◆ The number of respondents holding the Certified Financial Manager (CFM®) designation, no longer issued after 2008, declined. Only 9% reported being a CFM vs. 11% last year.

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.).

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

The proportion of IMA members who received additional compensation is 67%, which is the lowest in the past 10 years. The range was 69%-76% in 2000-2008, except for 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. This proportion fell slightly from 81% last year to 80% this year, but this is well within the range of 79%-83% over the past five years.

Given the scrutiny over bonuses and profit sharing in the financial sector, the relative stability in profit sharing and bonuses is notable.

Given the scrutiny over bonuses and profit sharing in the financial sector, the relative stability in profit sharing and bonuses is notable. Also notable is that a very small number of respondents (2%) indicated receiving a retirement match or contribution. Since this response on the survey is in a fill-in-the-blank format, some respondents may have inadvertently failed to report they were receiving this benefit. In future surveys we will ask directly about the level and amount employers contribute to retirement.

The median amount of additional compensation is \$11,000, and the mean amount is \$26,726, which is an increase from last year's \$25,731. Women apparently have less of an opportunity for additional compensation since only 62% received additional compensation as compared to 70% of the men. Furthermore, their average additional compensation of \$19,070 is about two-thirds of what men received at \$30,317; the same is true for the median amount of additional compensation (\$7,500 for women vs. \$13,825 for men). These differences in average additional compensation between women and men are statistically significant.

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%. In 2006 we reported that there were some positive signs that the "salary gap" between men and women was decreasing because the gap that year was 80% vs. 69% when the survey began. But these gains were erased in 2007 and 2008. The gender gap in total compensation was the smallest at 76% in 2005.

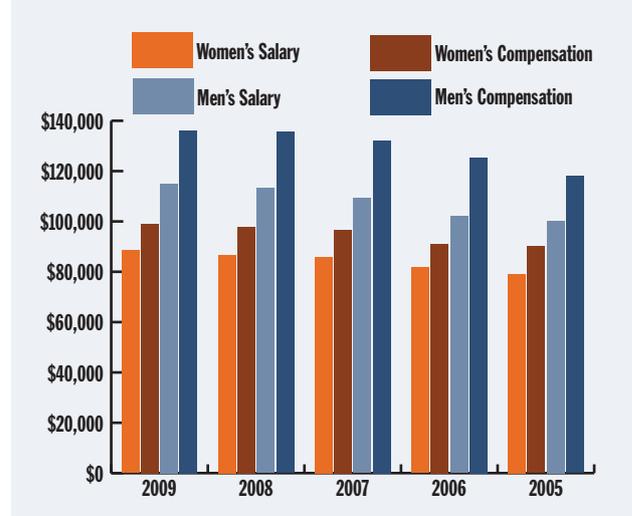
A comparison of the average compensation of men and women for the past five years is illustrated in Figure 1. Note that the average salary and average total compensation for women is less than the respective amounts for men for each of the past five years, which has been consistent since we began this survey in 1989. In 2009 the salary gap is 77%, and the total compensation gap is 74%. These differences between men and women are statistically significant, as they have been for all 21 years of the survey. The change in the gap from 2008 was a 0.3% improvement in salary and a 1.3% improvement in total compensation. In terms of dollars, the salary gap remained stable at \$26,531 this year and \$26,552 last year. The dollar difference in total compensation fell a little from \$37,617 to \$35,974.

As mentioned previously, 45% of the respondents reported receiving salary increases in 2009, and more women than men reported receiving increases (47% vs. 43.7%). Still, the average salary increases reported by women are less than those reported by men (\$4,697 vs. \$6,259). All the average salary increases for both women and men and the median salary increase for women are less than the amounts reported last year, but the median for men is the same. This would be expected in a year when the changes in average compensation aren't statistically significant.

None of the increases in average salary and average total compensation by gender is considered statistically significant in 2009. This is the second consecutive year since 2000 that none of the increases in both compensation figures from one year to the next for men, women, and overall has been statistically significant. But the differences in average salary and average total compensation for women and men are statistically significant in 2009.

Some of these differences in compensation between men and women could be impacted by the differences in the demographic characteristics of men and women

Figure 1: AVERAGE SALARY AND TOTAL COMPENSATION BY GENDER

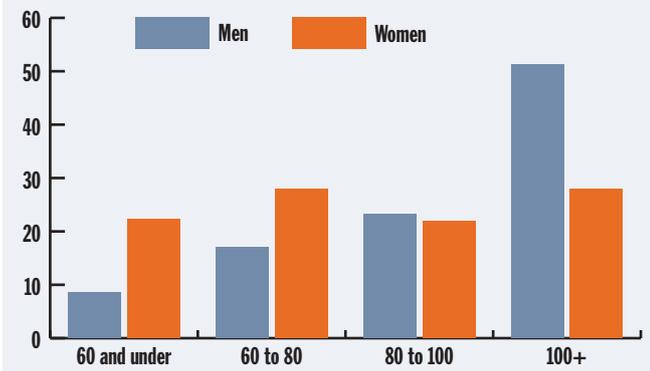


respondents that appear in Table 2:

- ◆ Women are younger than men (45.3 vs. 47.4), which is statistically significant.
- ◆ Women are less likely to have advanced degrees (45% vs. 53%), which is statistically significant.
- ◆ Women are less likely to have any kind of certification (64% vs. 73%), which carries over to the type of certification; this difference in certification is statistically significant.
- ◆ Women have less workplace experience than men as measured by years in the field (18.1 vs. 20.9), years in their current position (5 vs. 6), and years with their current employer (8.9 vs. 9.9), all of which are statistically significant.
- ◆ The proportion of men in senior management exceeds that of women by 14%; the proportion of women in senior- and lower-/entry-level management positions is greater than the proportion of men by 4% and 10%, respectively, and the proportions for middle management are equal.

Further evidence of the salary gap is reflected in Figure 2, where 51% of the men have salaries of \$100,000 or above but only 28% of the women have salaries above \$100,000. The percentage of men and women in the \$80,000-\$100,000 range is similar, but the proportion of men in the two lower categories (\$60,000-\$80,000 and \$60,000 and under) is much smaller than the proportion of women (26% vs. 50%). The proportion of men exceeds that of women above \$100,000. The median salary for men is \$102,000, and the same measure for women is \$22,000 less at \$80,000. The median for women

Figure 2: PERCENTAGE OF MEN AND WOMEN IN SALARY RANGES



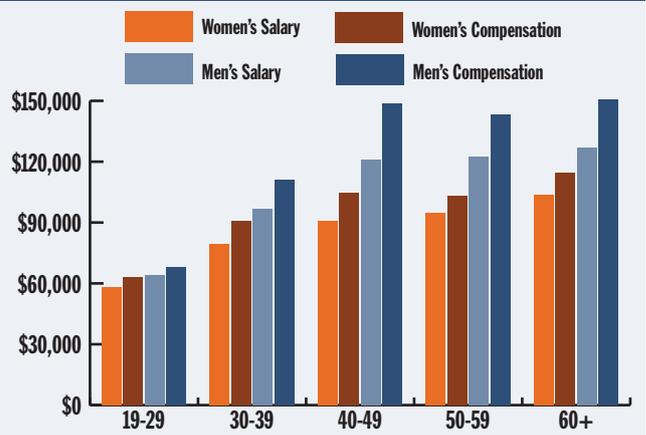
is unchanged from last year, but the median for men increased \$2,000. The difference in salary between men and women is statistically significant, but the changes from 2008 aren't.

Figure 3 compares respondents' 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 prior years. The only time women's compensation exceeded men's was in 2004 for the 19-29 age category. The shocking factor remains that the average total compensation of women for every age category is less than the average salary of men (i.e., without adding the additional compensation).

An encouraging sign is higher compensation for women age 60+, who, for the first time since 2002, earned more than the men in the 30-39 category. The 60+ women also earned statistically more than the 40-49 and 50-59 women, which has happened only once in the past decade. But this result needs to be interpreted with caution since the number of women in the 60+ category is always a small portion of the respondents (this year only 27, or 1.7% of the total respondents). Nevertheless, there were no outliers in this category, so it might be a new trend.

Women's compensation is closest to men's in the 19-29 age category. When women's compensation is stated as a percentage of men's, the resulting percentage is 91% for average salary and 92% for average total compensation, which is similar to

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



2008 when the same two percentages were 93% and 91%, respectively. Yet the gap widens for the other five categories, with average salary being 82% and 75% for the next two categories (30-39 and 40-49) and average total compensation being 82% for the 30-39 age category and 70% for the 40-49 age category. The next two age categories (50-59 and 60+) are 77% and 82%, respectively, for average salary and 72% and 76%, respectively, for average total compensation. These figures reflect that men and women have similar additional compensation in the younger age ranges. Women 40 and older, however, receive less additional compensation since their total compensation as a percent of men's is at least 5% less than their salary as a percent of men's.

As stated previously, female respondents are younger than their male counterparts, which is borne out by a

Table 4: COMPENSATION COMPARISONS BY YEARS IN THE FIELD

	Women	Men	All	Women as a percent of men
Average Salary				
1 to 5	\$ 64,474 [46]	\$ 76,451 [97]	\$ 72,598	84.3%
6 to 10	\$ 76,353 [72]	\$101,781 [98]	\$ 90,836	75.0%
11 to 15	\$ 85,930 [99]	\$102,301 [141]	\$ 95,548	84.0%
16 to 20	\$ 87,039 [103]	\$124,802 [148]	\$109,306	69.7%
More than 20	\$ 99,645 [214]	\$125,201 [530]	\$117,850	79.6%
Average Total Compensation				
1 to 5	\$ 69,695 [46]	\$ 86,292 [97]	\$ 80,946	80.8%
6 to 10	\$ 81,649 [72]	\$119,114 [98]	\$103,022	68.5%
11 to 15	\$ 98,309 [99]	\$116,269 [141]	\$108,860	84.6%
16 to 20	\$ 96,066 [103]	\$159,402 [148]	\$133,412	60.3%
More than 20	\$116,077 [214]	\$147,432 [530]	\$138,413	78.7%

Number of responses shown in brackets.

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 the men (64% vs. 54%), while the proportion of men is greater for the upper two age categories (46% vs. 36%). This is consistent with prior years. Interestingly, 11% of the women and 11% of the men didn't provide their ages this year. Last year 9% of women and 11% of men didn't provide their ages.

Another male/female comparison is provided in Table 4, which presents compensation by gender according to five groups of “years in the field” categories. The women respondents earn less than the men respondents 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 that shows women's compensation as a percent of men's compensation. Women's compensation is closer to men's in two categories:

- ◆ The “1 to 5 years in field” category (84.3% and 80.8% for average salary and average total compensation, respectively) and

- ◆ The “11 to 15 years in field” category (84% and 84.6%, respectively).

Women are further from men in two categories:

- ◆ The “6 to 10 years in field” category (75% and 68.5%, respectively) and

- ◆ The “16 to 20 years in field” category (69.7% and 60.3%, respectively).

Two years ago, three of the five “years in field” categories were at 85% or above for average salary; for both this year and last year, only two are above 80%, and none is as high as 85%, providing additional support that the salary gap hasn't improved. Furthermore, the fact that the percentages for average total compensation are equal to or smaller than those for average total compensation for all five “years in field” categories is further evidence that women have less opportunity for additional compensation.

Figure 4 compares the proportion of women and men respondents in various management levels. The academic level remains small and almost equal with respect to the proportion of women and men. Female professors have the potential to serve as a positive role model for young women considering various careers. The relatively equal proportion of women to men academics is a positive and consistent trend over the years, but the total number of women academics (29) responding to the survey is still less than the number of men (44) responding.

Now we'll focus on the remaining four levels of management—top, senior, middle, and entry/lower. Men

continue to exceed women in the top-management level (23% to 14%) where the higher salaries will be paid. Yet this gap has narrowed from last year when it was 26% men and 12% women in top management. Women exceed the proportion of men (21% to 12%) in the entry-/lower-level management positions where salaries will be lower. This range is similar to last year when it was 23% women and 14% men; these proportions are the exact reverse of those for top management. More men are in the senior positions, and more women are in the middle-management positions (28% to 20% for senior, 32% to 40% for middle, 60% for both across the two categories). These proportions are a small change from last year when these two middle levels were roughly equal.

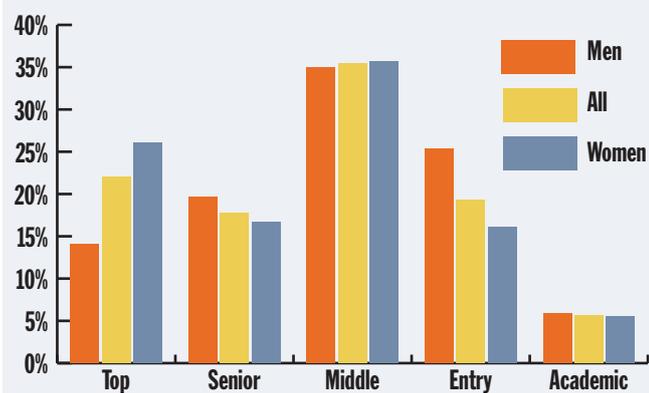
Yet even with the solid gains by women at the top, they earn only 73% of the salary of top-management-level men and an even lower 69% of men's total compensation.

Figure 5 presents the average salary and average total compensation by gender for each of these four management levels. Several changes have occurred in the respondents' data relative to last year, except one: Average salary and average total compensation remain less for the women than for the men at each management level.

The first change from last year is that women are no longer similar to men in the entry/lower level of management. In 2008, women earned 99% of what men earned, which sparked some optimism. This year the entry-/lower-level men earned 6.6% *more* salary and 8% *more* total compensation than in 2008. The entry-/lower-level women earned 6.5% *less* salary and 8% *less* total compensation. The net result is a change of 13.1% for salary and 16% in total compensation, both of which are statistically significant.

The second change occurred at the senior level of management, where women saw bigger increases than men in both salary (women up 6.1%, men up 2.5%) and total compensation (women up 8.8%, men up 3.3%). The third change by level happened at the top level, where women enjoyed large gains of 17.7% in salary and 15.9% in total compensation. The men had a small gain of 2.1%

Figure 4: MANAGEMENT LEVEL BY GENDER



in salary and a gain of 6.7% in total compensation.

When we look at the proportion of women’s salary to men’s salary, a similar pattern emerges: The gap is similar until the top-management-level increases. For salary, women move from 87% of men’s salary at the entry/lower level to 84% and 86% at the middle and senior levels. For total compensation, women move from 85% at the lower/entry level to 81% and 84% at the middle and senior levels. Yet even with the solid gains by women at the top, they earn only 73% of the salary of top-management-level men and an even lower 69% of men’s total compensation. Also, women earn less in additional compensation at all four levels.

Furthermore, on average, women are younger than men at all four management levels. The greatest age difference is at top management (3.5 years). There’s a small difference at the entry level (1.1 years), and there’s a virtual tie at the senior- and middle-management levels (0.2 and 0.4 years, respectively). These differences in average age by management level aren’t statistically significant.

As stated previously, fewer women than men possess a professional certification (64% vs. 73%), and when we

Figure 5: COMPENSATION BY MANAGEMENT LEVEL AND GENDER



examine certification by management level, the percentage of women with a certification is 10% less than that of men at all levels except middle management, where both men and women have a 70% certification rate. The percentage of men who possess a professional certification increases with each management level, which would seem to be logical. In prior years, the percentage of women also increased with each level, but this year 53% of women at the entry/lower level are certified, followed by a jump to 70% in middle management. Also, 61% of women at the senior level are certified, and 69% of top-management women have a certification.

Last year, the difference in certification of women and men was closest in the entry/lower level of management (51% vs. 54%), the same level where women’s compensation was closest to men’s. This year, 2% more women and 9% more men at the entry/lower level are certified (53% and 63%, respectively), which predictably leads to a wider salary gap at the entry/lower level. Except for the middle-

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	\$ 76,911	\$ 86,923	[155]	\$ 85,426	\$ 91,674	[196]	\$ 81,666	\$ 89,576	[351]
2. Some supervisory responsibility but not head of a major department	\$ 82,685	\$ 89,784	[147]	\$100,647	\$113,899	[275]	\$ 94,390	\$105,499	[422]
3. Head of a major department but do not report directly to CEO/Board	\$104,817	\$122,035	[104]	\$131,593	\$159,533	[222]	\$123,051	\$147,570	[326]
4. Head of a major department and report directly to CEO/Board	\$100,628	\$117,689	[104]	\$136,059	\$170,062	[279]	\$126,268	\$155,604	[384]
5. Little or no supervisory responsibility and report to CEO/Board	\$ 75,523	\$ 80,668	[20]	\$107,862	\$129,227	[39]	\$ 96,900	\$112,766	[59]

Number of responses shown in brackets.

management level, the differences by management level in the percentage of women and men possessing certification are statistically significant.

Table 5 presents compensation for women and men according to the respondents' perceived level of supervisory responsibility. Consistent with last year, the highest average compensation for women is in supervisory category 3 (Head of major department/do not report to CEO/Board), and the highest compensation for men is supervisory category 4 (Head of major department/report to CEO/Board). For all five categories, the compensation of women is less than that of men. Women's compensation is closest to men's (measured by women's compensation as a percentage of men's) in supervisory categories 1, 2, and 3 of Table 5, with all percentages for average salary above 80% (90%, 82%, 80%, respectively), though only one of the average total compensation percentages is above 80% (95%, 79%, 76%, respectively). The remaining two categories (4 and 5) in Table 5 are below 80% (74% and 70% for average salary and 69% and 62% for average total compensation, respectively). This continues the trend from prior years where women have less opportunity for additional compensation.

Category 2 (Some supervisory responsibility but not head of a major department) has the largest proportion of respondents (women, men, and overall), and this happens to be one of the two categories where the proportion of women is greater than the proportion of men. Category 1 is the category where women are closest to men in terms of average salary (women's average salary is 90% of men's). Category 1 is the other category where the proportion of women is greater than the proportion of men, and women are closest to men for average total compensation (95%) in this category. Proportionately, the largest disparity between women and men is category 4 (Head of a major department and report directly to CEO/Board), where women's average salary is 74% of men's and their average total compensation is 69% of men's. Though this is low, women partially closed the gap in category 4 as the rates last year were a 69% salary gap and a 64% compensation gap.

A majority of the respondents have supervisory responsibility (categories 2, 3, and 4), and there are proportionately more men (81%) than women (71%) in these positions, which is consistent with prior years. As mentioned previously, there are proportionately more women in category 2, the lowest-ranking supervisory category, while proportionately there are more men in categories 3, 4, and 5. There's a greater disparity in women's

and men's compensation in categories 2 and 3, which again contributes to the salary gap.

To summarize, we've 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" in compensation between women and men.

Compensation and Certification

Certification is very important to many accountants for various reasons, but this is never more evident than when discussing compensation. As we pointed out, 70% of the respondents have some kind of certification, and their average salary is \$113,680, a 1.4% increase from last year's \$112,068. The 30% of respondents without any certification reported an average salary of \$87,165, a difference of more than \$25,000, which is statistically significant. These same differences occur with average total compensation: The average total compensation for those with certification is \$133,531, which is approximately \$34,000 more than those without certification (\$99,441), and this difference is also statistically significant.

Table 6 illustrates the importance of certification to compensation. Individuals who hold some form of certification—Certified Management Accountant (CMA), Certified Public Accountant (CPA), or both (CMA and CPA)—earn more than those without any certification overall and for each of the five age categories presented. Similar to the past five years, the average compensation increases for each age category up to the 50-59 group.

For the past two years, the "60 and over" category earned less than the 50-59 group, but in 2006 and 2005 those 60 and over made more than those 50-59. This year the "60 and over" group earned substantially more than the 50-59 group—more than \$8,000 in average salary and more than \$13,000 in total compensation. Perhaps the recession created a demand for more experience as well as a need for some of the respondents nearing retirement to work harder or longer to generate sufficient savings.

For all five age categories, the column representing those with no CMA or CPA is always less than the three columns showing the compensation for CMAs, CPAs, and those with both. Thus, the differential of having professional certification follows individuals throughout

their careers and affects their earning power. This “certification bonus” appears to increase with the age of the respondent. Certified individuals 19-29 earn 23% more salary (\$12,408) and 22% more total compensation (\$12,788) than their noncertified peers. This grows to 35% more salary (\$34,155) and 46% more total compensation (a whopping \$49,630) for those 60 and over. This is very similar to last year when the certified individuals who are 60 and over earned 36% more salary (\$31,321) and 51% more total compensation (\$48,058) than their noncertified peers.

When individual certifications are compared (Table 6), the results have varied over the past five years we’ve reported these numbers. In 2004, the highest salary and compensation were for those with both CMA and CPA, then CMA, and then CPA. In 2005, both and CPA were the top, with CMA in third place. In 2006, it was both, then CMA, with CPA in third place. In 2007 and 2008, it was both, then CPA, then CMA. Thus, prior to this year, both had always been the highest salary and compensation, and CMA only or CPA only took turns in second and third place. This year, for the first time, CPA is first overall, both is second, and CMA is third. The amount of the difference from top to third has ranged from \$7,000 to \$20,000 in salary, and total compensation has ranged from \$8,000 to \$25,000. It does appear that the CPA certification may be inching ahead in terms of compensation

Individuals who hold some form of certification—Certified Management Accountant (CMA), Certified Public Accountant (CPA), or both (CMA and CPA)—earn more than those without any certification overall.

since it has exceeded the CMA for all years except 2006.

In other areas, CMAs have had higher average compensation (both measures) than CPAs in the first age category (19-29) for the past three years as well as this year. CPAs and both tend to have similar compensation for the 30-39 age group and higher compensation for the three older categories. But there has been no uniform pattern throughout the 21 years of this study. Also, those who hold the Certified Financial Manager (CFM) designation couldn’t be included in Table 6 without compromising confidentiality as there are only 134 CFM respondents. Their average salary and average total

Table 6: COMPENSATION BY AGE AND CERTIFICATION

AVERAGE SALARY

Age Range	All	No CMA or CPA	CMA	CPA	Both CMA and CPA
19-29	[84] \$ 61,596	[40] \$ 54,352	[23] \$ 66,519	[9] \$ 55,289	[10] \$ 77,630
30-39	[260] \$ 89,885	[82] \$ 77,969	[85] \$ 89,304	[27] \$ 89,898	[53] \$107,285
40-49	[460] \$109,697	[132] \$ 92,296	[153] \$113,665	[52] \$121,530	[113] \$118,714
50-59	[455] \$113,754	[114] \$ 96,178	[145] \$111,702	[56] \$131,367	[122] \$127,614
60 and over	[130] \$121,889	[34] \$ 97,812	[30] \$127,287	[37] \$148,125	[23] \$112,077
All	[1,389] \$105,550	[402] \$ 87,165	[436] \$106,713	[181] \$121,998	[321] \$118,454

AVERAGE TOTAL COMPENSATION

19-29	[84] \$ 66,002	[40] \$ 58,496	[23] \$ 72,708	[9] \$ 57,481	[10] \$ 80,430
30-39	[260] \$103,195	[82] \$ 84,756	[85] \$ 98,934	[27] \$106,097	[53] \$129,145
40-49	[460] \$131,952	[132] \$109,951	[153] \$137,373	[52] \$141,579	[113] \$145,909
50-59	[455] \$130,294	[114] \$109,519	[145] \$128,344	[56] \$150,694	[122] \$147,515
60 and over	[130] \$143,330	[34] \$108,436	[30] \$150,177	[37] \$187,614	[23] \$120,823
All	[1,389] \$123,103	[402] \$ 99,441	[436] \$124,346	[181] \$144,335	[321] \$139,914

Number of responses shown in brackets.

compensation are \$111,203 and \$137,680, respectively, which is a \$2,700 decrease in salary and a \$2,700 increase in total compensation. These average compensation figures for CFMs are greater than the respective figures for CMAs, CPAs, or both CMAs/CPAs except for average total compensation for CPAs. All of the differences in average compensation between certification and no certification are statistically significant, but the differences in average compensation by type of certification aren't conclusive because a large number of respondents hold dual certifications (e.g., CMA/CPA and CMA/CFM).

Compensation and Degrees

The demographic statistics in Table 2 and the fact that persons sitting for the CMA/CPA examinations must have a college degree demonstrate that IMA members are well educated. Table 7 shows the average compensation of respondents divided into four educational categories, and average compensation increases with degree level. Respondents who have no degree (only 0.7% of all respondents) earn the least, and those holding baccalaureate and master's degrees earn more. In the past, those with doctorates (only 3.8% of this year's respondents) earned the most, but this group saw decreases in salary of \$13,650 and decreases in total compensation of \$31,200 this year. During the recession, many universities engaged in hiring freezes and reduced discretionary spending on research and/or travel, which might explain some of these severe drops. As in the past, the average compensation amounts by degree are statistically significant in 2009.

For the second year in a row, the average salary and average total compensation for those with less than a baccalaureate degree increased by double digits; salary is up 20% in 2009 (after a 13.8% increase in 2008), and total compensation is up 11.1% (after a 20.1% increase in 2008). The sample size is very small (11 in 2008 and 10 in 2009), so caution in interpretation is warranted.

Table 7: COMPENSATION BY HIGHEST DEGREE OBTAINED

Highest Degree	Average Salary	Average Total Compensation	
Less than baccalaureate	\$ 92,760	\$100,291	[10]
Baccalaureate	\$ 98,263	\$114,072	[722]
Master's	\$113,359	\$133,742	[751]
Doctorate	\$105,400	\$110,256	[66]

Number of responses shown in brackets.

Average salary and average total compensation for those with baccalaureate degrees increased slightly by 1.7% and 0.2%, which follows decreases in 2008 of 0.4% and 2.8%, respectively. Average salary for those with a master's degree increased 2.1% and 2.3%, respectively, following 4.3% and 5.3% increases in 2008. None of these changes in 2009 from 2008 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, where we see that both the location and the organization with 5,000-plus people have the largest average salary. There hasn't been a defined pattern for average salary and size factors by location or organization over the years.

The pattern for change in salary by size is a little different from the past two years, where most size categories saw increases. The largest gains were very modest and occurred in the 500-999 size for location, with a 6.6% increase, and for organization, with an 8.4% increase. Three of the location categories experienced decreases, and four (or half) of the organization categories had decreases. The largest drop by location size is 1-9 people, which fell 7.8%, and the largest drop by organization size is 1-9 people, with a decrease of 6%. Both are consistent with the results in Table 10 and could be related to the recession impacts being felt more directly by those in smaller organizations.

Table 9 shows average compensation by industry using SIC codes. The SIC area of agriculture, forestry, and fisheries has the highest average salary in 2009 (it ranked fifth in 2008) and also the highest average total compensation (ranked first every year since 2006). The largest number of respondents works in manufacturing (35%), where average salary and average total compensation rank fifth in both categories (fourth and fifth last year). The next largest contingent works in the service industry (27%), which ranks fourth in average salary and fifth in average total compensation (fourth and seventh last year). Note, however, that public accounting is part of the service industry. If it were its own classification, it would rank first in terms of average salary and second in average total compensation.

Over the past three years, average salary has increased

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	\$ 93,893 [83]	\$ 98,449 [52]
10 to 24	\$105,680 [122]	\$ 93,652 [66]
25 to 99	\$101,436 [331]	\$100,088 [177]
100 to 499	\$106,552 [508]	\$103,769 [303]
500 to 999	\$104,197 [161]	\$106,389 [117]
1,000 to 2,499	\$111,885 [146]	\$107,815 [157]
2,500 to 4,999	\$111,248 [88]	\$100,983 [121]
5,000 plus	\$116,636 [102]	\$111,569 [552]

Number of responses shown in brackets.

for most SIC areas but has fallen for two to four areas. In 2007 it fell for two areas (government; nonclassifiable), in 2008 it fell for four areas (agriculture, forestry, and fisheries; mining; finance, insurance, and real estate; government), and this year it fell for three SIC areas (educational services; finance, insurance, and real estate; wholesale and retail trade). Given how the recession impacted housing, retail, and financial services, these declines seem reasonable. Also, given the federal government's investments, the lack of a third straight decline in government seems reasonable. It's perhaps a little surprising, though, that construction didn't experience a decline this year or last year.

Total compensation hasn't fared as well, with decreases this year in six SIC areas, two of which decreased by more than \$10,000 (finance, insurance, and real estate; wholesale and retail trade) and one that decreased by more than \$25,000 (agriculture, forestry, and fisheries). The increases this year ranged from 0.5% to 9.3%. Last year, total compensation decreased for four SIC areas (agriculture, forestry, fisheries; government; transportation, communications, and utility services; wholesale and retail trade), and the increases were 0.4% to 11.8%.

Table 10 presents compensation by business structure, and here we see similar patterns along with a few changes that seem connected to the recession. As in the past, the majority of respondents work in either publicly traded (41%) or privately held corporations (32%). Last year it was 39% public and 34% private. The distributions among these six categories have been relatively stable over

time, with no more than a 2% change in any category from last year. Also consistent with the past five years, the two highest-paid structures are publicly traded corporations and partnerships, which would include those working in public accounting.

This year, three structures (proprietorship, partnership, and Subchapter S corporations) experienced declines in both salary and total compensation. Proprietorships declined 11.1% in salary and 10.1% in total compensation, partnerships declined 13.4% in salary and 11.9% in compensation, and Subchapter S corporations declined 3.2% and 11.1%. All three of these ownership structures are perhaps more sensitive to business cycles. One surprise is the family-owned corporations, where salaries increased 9% and total compensation increased 13.3%. There were 19% fewer respondents in this category, so

Table 9: COMPENSATION BY SIC AREA

SIC	Average Salary	Average Total Compensation
Agriculture, Forestry, Fisheries	\$123,361	\$144,244 [15]
Mining	\$112,958	\$133,462 [19]
Contract Construction	\$102,288	\$119,525 [55]
Manufacturing	\$108,479	\$130,095 [547]
Transportation, Communications, and Utility Services	\$105,041	\$129,320 [96]
Wholesale and Retail Trade	\$103,462	\$117,061 [126]
Finance, Insurance, and Real Estate	\$102,916	\$120,498 [143]
Services (all)	\$106,181	\$122,525 [415]
Medical/Health services	\$103,833	\$116,321 [85]
Educational services	\$ 96,640	\$105,668 [132]
Public Accounting	\$124,482	\$140,802 [63]
Other service SIC codes	\$108,560	\$134,117 [137]
Government	\$ 95,178	\$100,633 [81]
Nonclassifiable	\$100,145	\$109,796 [43]

Number of responses shown in brackets.

Table 10: COMPENSATION AND BUSINESS STRUCTURE

	Average Salary	Average Total Compensation
Proprietorship	\$ 94,529	\$ 98,676 [17]
Partnership	\$108,184	\$128,798 [84]
Subchapter S Corporation	\$103,418	\$121,759 [190]
Family-Owned Corporation	\$ 99,754	\$119,389 [76]
Privately Held Corporation	\$104,327	\$118,437 [441]
Publicly Traded Corporation	\$111,813	\$135,374 [580]

Number of responses shown in brackets.

the change could be because of the loss of prior responders who made lower salaries.

Similar to last year, one of the reasons that compensation didn't increase significantly in 2009 most likely is because the two largest employers—publicly traded and privately held corporations—had the smallest increases in average salary (3.2% and 2.3%, respectively) while their average total compensation increased 3.3% and 1.2%, respectively. These differences in compensation from 2008 to 2009 for business structure aren't statistically significant.

Household Income

The average household income for all IMA member respondents in 2009—married or not—is \$156,545, which is an increase from last year's \$148,528. Female respondents increased their household income 4.9% to \$136,939, and male respondents increased theirs 5.7% to \$166,985. None of these differences between 2009 and 2008 is statistically significant.

The household income for married IMA member respondents in 2009 is \$167,938, which represents a 4.8% increase over the 2008 figure; this amount isn't statistically significant. The household income of married men is greater than that of married women (\$175,485 vs. \$151,479), and this difference is statistically significant as it was from 2006 to 2008 (but not in 2004 and 2005). The household income for women increased almost \$5,200, or 3.6%, from 2008, and men's household income increased approximately \$9,100, or 5.5%; neither of these changes in household income is statistically significant for 2009.

We compared household income for married member respondents by the three factors of gender, single vs. dual income, and children vs. no children. The household

income for dual-income married members is \$184,253, which is an increase of more than \$18,000 from 2008. The household income for single-income married members is \$145,573, which is a decrease of more than \$5,000. This difference in household income for single- vs. dual-income married members is statistically significant. Interestingly, the household income changes last year were in the exact opposite direction, with that for dual-income married members going down 2.9% and household income for single-income married members increasing 6.2%.

Each of these household income measures (single vs. dual) can be separated by gender. When the household income of single-income men vs. women is examined, men earn more than women (\$155,391 vs. \$110,962), a difference that's statistically significant. The household income for single-income men decreased almost \$5,000 in 2009, but the household income of single-income women increased approximately \$500; neither of these changes is statistically significant. For household income of dual-income married members, men again earn more than women (\$193,978 vs. \$168,554), which is statistically significant.

Focusing on the variable of children, single-income married members with children have household income of \$158,351, which is greater than the income of \$137,075 of those with no children. Both of these numbers changed less than \$1,000 from 2008. Dual-income married members with children have household income of \$195,386, which is much greater than the household income of those with no children (referred to as DINKS—Dual Income, No Kids) of \$161,079. These differences in household income by children or no children are statistically significant. Thus, the married members with children, regardless of gender, earn more than those without children.

Figure 6 presents an analysis of all three variables at once: dual vs. single income, gender, and children vs. no children. As discussed previously, the household income of married women, whether it's single-income or dual-income, is less than that of men. Figure 6 reflects that this holds true once the factor of children vs. no children is added to the mix. In each case, women with or without children have lower household income than their male counterparts. These differences in

Figure 6: AVERAGE HOUSEHOLD INCOME OF MARRIED MEMBERS



Table 11: AVERAGE SALARY BY STATE

	Average Salary	Standard Deviation	
Northeast Region	\$109,175	\$38,708	[83]
Connecticut	113,210	46,371	[22]
Maine	101,544	42,924	[9]
Massachusetts	110,683	39,491	[36]
New Hampshire	99,786	17,049	[7]
Rhode Island	98,460	19,147	[5]
Vermont	120,402	28,931	[4]
Mid-Atlantic Region	\$117,835	\$60,777	[295]
Delaware	126,638	45,245	[8]
Maryland	130,078	47,249	[14]
New Jersey	126,657	52,324	[47]
New York	121,997	67,629	[85]
Pennsylvania	107,158	64,007	[90]
Virginia	111,761	57,943	[36]
Washington, D.C.	138,265	31,863	[11]
West Virginia	103,988	71,737	[4]
South Region	\$105,994	\$56,136	[304]
Alabama	92,971	41,882	[25]
Arkansas	92,614	40,164	[11]
Florida	117,970	74,250	[66]
Georgia	125,961	72,692	[39]
Kentucky	103,280	63,205	[21]
Louisiana	93,823	39,526	[7]
Mississippi	151,500	71,244	[4]
North Carolina	99,663	36,980	[62]
South Carolina	93,079	36,842	[29]
Tennessee	96,866	39,177	[39]

Midwest Region	\$ 98,226	\$49,120	[457]
Illinois	112,410	64,489	[67]
Indiana	103,042	47,645	[51]
Iowa	84,666	35,732	[27]
Michigan	92,457	42,863	[74]
Minnesota	105,042	52,322	[69]
Missouri	78,403	26,138	[29]
Ohio	99,061	41,826	[76]
Wisconsin	92,569	51,891	[64]
Plains Region	\$102,151	\$49,480	[122]
Kansas	89,729	41,055	[15]
Nebraska	71,028	22,212	[17]
North Dakota	72,860	20,401	[5]
Oklahoma	73,727	22,250	[13]
South Dakota	*	*	[2]
Texas	119,254	53,406	[72]
Mountain Region	\$100,102	\$45,445	[95]
Arizona	113,235	64,021	[23]
Colorado	108,957	46,573	[25]
Idaho	85,331	25,522	[9]
Montana	77,152	19,252	[5]
Nevada	93,332	30,059	[11]
New Mexico	84,250	18,464	[4]
Utah	91,721	36,997	[17]
Wyoming	*	*	[1]
West Coast Region	\$108,070	\$50,141	[203]
Alaska	115,765	24,167	[5]
California	116,783	48,013	[112]
Hawaii	*	*	[2]
Oregon	85,209	26,420	[34]
Washington	103,801	63,591	[50]

Number of responses shown in brackets.

*Data not reported to protect confidentiality.

household income for married women and men, with single and dual incomes and with and without children, are statistically significant. There doesn't appear to be any substantial impact from the recession on these relationships because they mimic prior years.

Compensation by Region, Responsibility, and Position

Table 11 presents the average salaries and standard deviation for the 50 states and Washington, D.C., grouped into seven geographical regions. This year, six of the seven regions have average salaries above \$100,000, as opposed to last year when there were only five in this category and 2007 when there were only four. The Mid-Atlantic region has the highest average salary (last year it ranked third) and the second-highest salary increase from 2008 at 6%.

The highest increase of 6.8% happened in the Mountain region.

The Mountain region, which had the lowest salary the last two years, moved into sixth place. The lowest region this year is the Midwest at \$98,226, a 1.6% increase from last year. Three regions show a decline from last year:

- ◆ Northeast region is down 6%,
- ◆ Plains region is down 5.6%, and
- ◆ West Coast region is down 3.6%.

The South region had a 3.9% salary increase. None of the

Table 13: COMPENSATION BY POSITION

	Average Salary	Average Total Compensation	
Top-Level Management	\$141,400	\$184,566	[340]
Executive Vice President	213,643	282,786	[7]
Senior Vice President	174,800	204,955	[10]
Chief Executive Officer	173,650	248,798	[3]
Principal	164,800	180,800	[5]
Partner	162,625	192,438	[16]
Chief Financial Officer	140,816	187,591	[227]
President	137,250	197,803	[12]
Corporate Treasurer	128,930	146,876	[17]
Owner	108,378	135,579	[32]
Corporate Secretary	99,475	115,088	[4]
Senior Management	\$108,135	\$128,627	[274]
Group President	*	*	[1]
Group Vice President	*	*	[2]
Vice President	144,205	188,302	[67]
Assistant Vice President	124,938	138,800	[8]
Divisional Vice President	114,416	138,368	[5]
Consultant	101,748	110,350	[22]
Corporate Controller	93,686	106,579	[169]

Table 12: COMPENSATION BY RESPONSIBILITY AREA

	Average Salary	Average Total Compensation	
General Management	\$138,204	\$179,994	[192]
Public Accounting	\$128,769	\$144,947	[58]
Finance	\$119,614	\$141,717	[233]
Taxation	\$108,417	\$126,913	[23]
Internal Auditing	\$104,538	\$122,359	[40]
Corporate Accounting	\$103,636	\$121,875	[379]
Information Systems	\$103,028	\$114,858	[45]
Budgeting and Planning	\$ 98,172	\$111,545	[104]
Education	\$ 95,857	\$100,148	[85]
Risk Management	\$ 89,532	\$ 96,001	[11]
Cost Accounting	\$ 87,211	\$ 95,766	[110]
Government Accounting	\$ 86,071	\$ 87,614	[54]
General Accounting	\$ 83,272	\$ 90,534	[203]
Personnel Accounting	\$ 57,160	\$ 67,875	[5]

Number of responses shown in brackets.

changes between 2008 and 2009 is statistically significant.

Tables 12 and 13 present compensation data that's dependent on the respondents' interpretations of where their specific job titles fall within the responsibility areas and management levels in their own organizations. Please

	Average Salary	Average Total Compensation	
Middle Management	\$102,141	\$116,145	[543]
General Supervisor	*	*	[2]
Director	129,402	155,015	[113]
Divisional Controller	109,113	126,838	[82]
General Manager	104,647	123,037	[20]
Manager	94,720	105,371	[187]
Plant Controller	91,121	97,348	[67]
Asst. Corporate Controller	80,692	86,492	[25]
Chief Accountant	80,325	86,609	[27]
Supervisor	79,595	86,439	[20]
Lower Management/Entry Level	\$ 70,201	\$ 74,983	[295]
Auditor	83,529	89,999	[17]
Systems Analyst	79,590	83,939	[14]
Financial Analyst	75,267	80,620	[123]
Senior Accountant	67,536	72,520	[88]
Staff Accountant	56,114	58,809	[53]
Academic Positions	\$ 95,262	\$ 99,414	[86]
Dean	*	*	[1]
Department Chair	116,296	117,646	[10]
Professor	107,103	115,733	[20]
Associate Professor	98,085	102,172	[24]
Administrator	96,500	100,117	[6]
Assistant Professor	77,765	80,395	[15]
Instructor	69,270	70,030	[10]
Other	\$106,753	\$128,217	[22]

Number of responses shown in brackets.

*Data not reported to protect confidentiality.

remember that classifying job titles is always difficult because the duties and responsibilities and where the titles fall in the hierarchy of the organization 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 from highest to lowest according to average total compensation). The top and bottom areas have been remarkably consistent over the past several years. General management, which often is considered one of the highest-ranking responsibility areas, ranks first in both salary and total compensation for the fifth straight year. The three lowest-ranking responsibility areas (government accounting, cost accounting, and general accounting) have been the bottom salaries for the past 10 years. Personnel accounting has also been at the bottom, but

sometimes there haven't been enough observations to report, and cost accounting and general accounting are often considered entry-/lower-level management responsibility areas.

Consistent with last year, public accounting ranks second in terms of average salary, and the amount listed is very close to the amount in Table 9. Of the 13 responsibility areas, eight had salary increases, and five had decreases. The changes range from a low of -22% (risk management) to a high of 12.1% (taxation). Similarly, average total compensation increased for seven responsibility areas and decreased for six. These changes range from a low of -39.4% (risk management) to a high of 10.2% (taxation, followed closely by 9.6% for public accounting). Risk management is a small category (11 respondents this year and 17 last year), so it's hard to interpret, but the huge decreases could be consistent with respondents having worked with complex financial instruments that fell out of favor during the recession.

Table 13 presents average salary and average total compensation for all job titles divided into the four management levels, academe, and "other." Note that compensation increases by rank for each of the four management levels and that the differential between average salary and average total compensation also increases by rank from lower/entry level to top management. This year the average compensation for top management increased a respectable 6.3%, and all other levels were flat. Senior management decreased 0.1%, middle management increased 1%, lower/entry level decreased 0.9%, and academic increased 0.7%. None of these changes in average compensation in 2009 from 2008 is statistically significant.

Alternate 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 that results in slower (faster) career advancement, and
- ◆ 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

Figure 7: REDUCE HOURS AND COMPENSATION

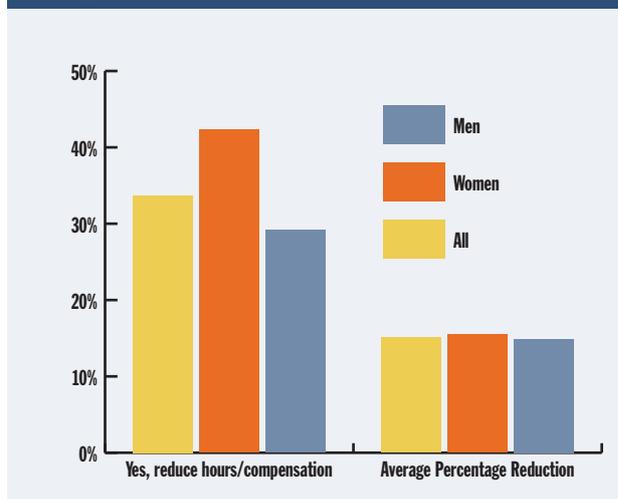
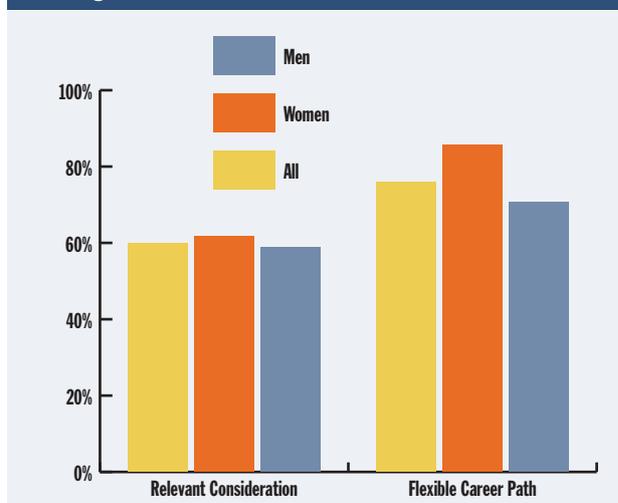


Figure 8: FLEXIBLE VS. RIGID CAREER PATH



reflects that this is an important feature for 34% of the sample population, which is lower than last year's 37% and the lowest since 1996 (range has been 35%-45%). More women than men are interested in this option (42% vs. 29%). This difference between men and women has been very consistent, yet both groups were less interested in this option in 2009. In fact, these are the lowest figures for both men and women since 1996 when this statistic was first tracked (women's range had been 45%-60%, and men's range had been 30%-44%), perhaps because of anxiety about job retention during the recession.

The second bar graph in Figure 7 reflects the mean reduction in hours/compensation that the respondents would be willing to accept. Note that this year there's almost no difference in the overall population mean reduction and the mean reductions for men and women (men, 14.9%; women, 15.5%; overall, 15.1%). The mean reduction for men is within the range experienced in the past

(14%-15.8%). The mean reduction for women is the same as last year, but historically it has been higher with a range of 17.8%-19.5%. Interestingly, these mean reduction percentages for men and women have generally been statistically significant in the past, but this isn't the case in both 2009 and 2008. It seems plausible that the recession may have played a role in women being less interested in a reduction of hours than in better economic times.

The first bar graph in Figure 8 shows that more women than men regard a more flexible career path as a relevant consideration (62% vs. 59%). This spread between men and women is narrower than in past years when 10% more women than men often preferred flexibility. The overall percentage of 60% is consistent with the range in prior years of 57% to 65%.

The second bar graph in Figure 8 focuses only on the respondents who think the flexible career path is relevant. More women (86%) than men (71%) favor the flexible

It seems plausible that the recession may have played a role in women being less interested in a reduction of hours than in better economic times.

career path that results in slower career advancement, and the overall percentage is 76%. These differences by women and men are statistically significant for 2009 and within the ranges experienced in the past (women, 81%-89%; men, 72%-79%). The number of women didn't change from last year, but the percentage of men decreased from 76% to 71%, which certainly could be related to the pressure from the recession.

This year, 24% of the respondents reported a career interruption of at least six months or more (as defined in the survey instrument), and there's no significant difference by gender. But the average salary for those with a career interruption (\$98,852) is significantly different from the salary of those without an interruption (\$112,000). There are also significant differences in salary when we examine career interruptions by gender. When there's no career interruption, the average salary is \$90,662 for women and \$121,545 for men. When there has been a career interruption, the average salary decreases

to \$82,965 (a \$7,697, or 8.5%, penalty) for women and to \$107,161 (a \$14,384, or 11.8%, penalty) for men.

Average Salary Profile

Education level, certification, management level, and gender have an impact on compensation. Table 14 provides a composite view of average salary across these four variables and permits you to make comparisons with others who may share these characteristics. Up to 40 comparisons could be possible using these four variables, but only 38 possible comparisons are available this year because two cells don't have the required number of observations to protect confidentiality.

If individuals share the same demographic characteristics, then we would expect them to have the approximate "same average salary." But 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 in these items may have different expectations.

Management Level and Gender. Men's average salary is higher than women's in comparable levels of management and with comparable credentials, with the following exceptions:

- ◆ Women earn more than men in both top and senior management when they possess a baccalaureate degree and a CMA.
- ◆ Women earn more than men in entry-level management when they possess either a baccalaureate or master's degree and both a CMA and a CPA.

Baccalaureate vs. Master's Degree. Table 14 contains only two degrees, baccalaureate degree and master's degree, which represent 95% of our respondents. All else being equal, you might expect that those with a master's degree would have a higher average salary than those with a baccalaureate degree. This expectation holds true most of the time, except in the following circumstances:

- ◆ Overall, top-management women with a baccalaureate degree earn more than those with a master's degree.
- ◆ Top-management women with a baccalaureate degree and CMA make more than those with a master's degree and CMA.
- ◆ Top-management women with a baccalaureate degree and both CPA and CMA earn more than their counterparts with a master's degree and both CPA and CMA.
- ◆ Women in entry-level management and who have a baccalaureate degree and a CMA make slightly more than entry-level women with a master's degree and a CMA.

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

	TOP MANAGEMENT				SENIOR MANAGEMENT			
	Women		Men		Women		Men	
Baccalaureate	\$107,946	[35]	\$139,615	[125]	\$ 98,005	[50]	\$108,071	[84]
No CMA or CPA	108,233	[15]	120,393	[29]	78,982	[17]	90,779	[29]
CMA	151,000	[4]	125,229	[28]	97,767	[15]	107,697	[27]
CPA	85,407	[8]	163,323	[41]	87,500	[5]	127,203	[13]
Both CMA and CPA	108,422	[8]	139,179	[27]	127,196	[13]	125,595	[15]
Master's	\$107,424	[31]	\$164,230	[123]	\$120,625	[46]	\$162,262	[76]
No CMA or CPA	118,943	[7]	128,927	[23]	95,630	[21]	178,072	[16]
CMA	107,000	[7]	170,024	[45]	104,869	[16]	150,752	[25]
CPA	*	[3]	186,524	[18]	91,486	[4]	168,189	[9]
Both CMA and CPA	101,877	[14]	168,283	[37]	107,147	[5]	161,548	[26]
	MIDDLE MANAGEMENT				ENTRY-LEVEL MANAGEMENT			
	Women		Men		Women		Men	
Baccalaureate	\$ 85,114	[92]	\$100,852	[135]	\$ 62,867	[75]	\$ 68,422	[84]
No CMA or CPA	77,577	[34]	90,692	[47]	58,255	[38]	62,287	[37]
CMA	91,794	[29]	94,216	[39]	68,197	[21]	75,177	[31]
CPA	80,137	[16]	121,107	[14]	58,230	[10]	66,922	[6]
Both CMA and CPA	96,052	[13]	113,789	[35]	81,148	[6]	71,078	[10]
Master's	\$ 98,959	[85]	\$113,742	[207]	\$ 69,025	[53]	\$ 82,318	[69]
No CMA or CPA	84,217	[20]	99,537	[58]	57,111	[24]	73,530	[22]
CMA	98,608	[36]	114,905	[77]	71,384	[16]	85,897	[31]
CPA	103,755	[11]	144,694	[16]	80,250	[6]	*	[2]
Both CMA and CPA	113,109	[18]	118,013	[56]	94,856	[7]	87,469	[16]

Number of responses shown in brackets.

* Data not reported to protect confidentiality.

◆ Men in senior management and who have a baccalaureate degree and CPA make more than senior-management men with a master's degree and CPA.

What about Ethics?

Ethics has taken center stage in many discussions since the events preceding the passage of the Sarbanes-Oxley Act of 2002 (SOX). As we watch the stories around our current economic woes unfolding, ethics are once again being called into question. The ethics questions in the 2009 survey focus on two areas: (1) respondent familiarity with the *IMA Statement of Ethical Professional Practice* and (2) presence of a code of ethics in the respondent's place of business. Responses to our questions regarding familiarity with the *IMA Statement of Ethical Professional Practice* are encouraging. Specifically, 94% of all respondents indicated familiarity with the *Statement*—an increase of 12% from the 82% reported last year. Also, 99% of the respondents holding the CMA are familiar

94% of all respondents indicated familiarity with the *IMA Statement of Ethical Professional Practice*—an increase of 12% from the 82% reported last year.

with the *Statement*, and 88% of those who have no certification are familiar with the *Statement*. There were no significant differences by gender or age group. Awareness across all levels of management exceeded 90%: 95% of senior managers and 94% of the middle managers are familiar with the *Statement*. Top-level (92%) and lower-level (91%) managers are slightly less familiar with it, but this is a substantial increase from the 77% level in 2008.

Table 15: ESTIMATING A SALARY LEVEL FOR IMA MEMBERS

CALCULATING AN AVERAGE SALARY

Perhaps the favorite feature of the annual IMA Salary Survey has been the ability to calculate personal average salary. Introduced in 1989, this feature employs some of the significant demographic variables provided by survey participants. Although gender differences weren't included in 1989, they were captured beginning in 1990 by including a separate column for men and women. For the third straight year, however, we've had one calculation regardless of gender. This year the calculation explains 28% of the variability, up from 23% last year. This percentage of variability explanation is within the range that we've had in prior years. The regression values presented in Table 15 are derived from the values reported by IMA member respondents for 2009. 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/her salary might be using the data collected from our survey.

To calculate your "personal average salary," start with the base salary in the table (\$72,288), then add or subtract each of the variables to reflect your status. For instance, add

		Your Calculation
Start with this base figure		\$72,288
If you are TOP-level management	ADD	36,591
OR		
If you are ENTRY-level management	SUBTRACT	23,553
Number of years in the field _____	TIMES	700
If you have an advanced degree	ADD	12,216
If you hold the CMA	ADD	8,185
If you hold the CPA	ADD	11,872
Your Estimated Salary Level		<input type="text"/>

\$36,591 for being in either top or senior management (but subtract \$23,553 if you are in entry-level management), add the product of your number of years in the field times the factor of \$700, then add \$12,216 for an advanced degree, \$8,185 for a CMA, and/or \$11,872 for a CPA (this means you may add none, one, two, or all three premiums).

The total of the starting base figure and the additional values should provide you with an estimate of your personal "average salary" from the 2009 data.

The proportion of academics also increased from 91% to 96%. Awareness of the *IMA Statement* is also in the 90th percentile across all SIC areas, ranging from a low of 92% in manufacturing to a high of 99% in finance. The most striking increase was in mining—from 63% last year to 95% this year.

In addition, 78% of the respondents indicated that their employer has a written code of ethics, 18% indicated that their employer doesn't have a written code of ethics, and 4% didn't know. We examined this issue by organization size, SIC area, and business structure. When organization size as measured by number of employees at location was considered, the percentage of those responding with "yes" ranged from a low of 57% for less than 10 employees and increased for each subsequent location size up to a high of 99% for those with more than 5,000 employees. The same pattern occurred in overall organi-

zation size, with a low of 54% for organizations of less than 10 employees and a high of 98% for organizations with more than 5,000 employees.

For SIC areas, 100% of the respondents employed in agriculture, forestry, fisheries reported having a code, followed by service industry other than medical, educational, and public accounting (91%); mining (89%); and government (88%). At 64%, contracting/construction had the fewest written codes of ethics. Interestingly, only 84% of the respondents in public accounting reported that their company has a written code of ethics. When we examine the data grouped by business structure, we find 98% of those working for publicly traded corporations indicated their employers have a written code of ethics. There are significantly fewer written codes of ethics reported for other types of organizations: privately held corporations (76%), partnerships (74%), single propri-

etorships (62%), family-owned businesses (56%), and Subchapter S corporations (52%).

We also asked respondents whether their employers had revisited or revised their codes of ethics since the adoption of SOX. Survey respondents indicated that 20% of their employers made no changes to their written code of conduct during 2009, 34% made revisions, and 26% increased their emphasis on their code of ethics. As in past years, publicly traded companies had the largest proportion of revisions (40%) and emphasis on codes (35%), but our study indicates a drop in emphasis by publicly traded corporations on their code of ethics over the last two years when 77% of respondents reported increased emphasis on the code of ethics.

Some Observations

IMA member respondents have felt the impact of the rough economy directly with a second straight year of insignificant increases in compensation and various signs of stress on certain organization structures and individual work preferences. There was also a significant drop in the number of respondents who received a salary increase. Though times were rocky, only 2% of those returning surveys reported they were unemployed.

Women continue to earn less than men in all situations, but, for the most part, the relative position between men and women didn't change this year, which is an improvement from last year where women lost ground on most measures. One potential bright spot is compensation for women 60+ years old, which exceeded that for women 40-49 and 50-59 as well as for men 30-39. This is the first time the compensation for 60+ women has exceeded that for the men 30-39.

More than 50% of the male respondents and more than 25% of the female respondents earn more than \$100,000. Women dominate the \$80,000 and under salary groups, and men dominate all the categories above \$100,000. Also, less than 10% of the respondents make more than \$180,000, suggesting our professionals don't receive salaries that will be reported as exorbitant in newspaper headlines.

Last year we noted a "ray of hope" with respect to compensation of women in entry-/lower-level management positions, where women's compensation stated as a percentage of men's was at 99% for both average salary and average total compensation. This seemed to indicate that women who are being hired for entry-/lower-level management were starting at almost the same wages as men. But this year the salary for entry-level women dropped more

than 5%, and the salary for entry-level men increased more than 5%, so the picture is quite a bit different. Perhaps one reason is that the percent of women respondents in the entry-level category is smaller than in past years, which could be due to better career advancement. We'll have to keep watching the data in future years to know for sure.

Despite the historical challenges faced by women and the economic challenges faced by all respondents, we find positive news in the survey. We're encouraged to see the widespread increase in awareness of the *IMA Statement of Ethical Professional Practice*, and we're pleased that the CMA designation provides substantial value to the men and women who do the hard work required to earn and retain it. **SF**

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 - 2 Results of IMA's 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 2009, they were reported in the June issue of *Strategic Finance*.